

The NATIONAL UNDERWRITER



Serving
the American Public

through a loyal group of outstanding insurance agents for ONE HUNDRED TWENTY-FIVE YEARS. The insurance business typifies all the principles of the true American platform. The agency system, the fieldmen and the companies are vital symbols of Democracy. All three presuppose private enterprise, personal choice, civil liberty. When sales effort is no longer needed . . . Democracy no longer exists. We are glad Democracy requires us all to make sales effort . . . we enjoy it!

THE
NORTH RIVER INSURANCE COMPANY
OF NEW YORK
ORGANIZED 1822

110 WILLIAM ST., NEW YORK 7, N. Y.

THURSDAY, JULY 10, 1947

PARABLE OF THE LAZULI



ASKED by a young man how to become a successful merchant, Amaturus, the seer, replied: "Why, son, let me tell you the story of the queen who desired a lapis lazuli to match her lovely eyes.

"She commissioned four of her subjects to find such a gem. The *first* was a relative. The *second* was a friend. The *third* was a court hanger-on. The *fourth* was what you aspire to be—a merchant famous for his knowledge of precious stones.

"Which, think you, obtained the finest lapis lazuli?"

Yes—true indeed. The man who knows his business is best able to serve others successfully whether the matter be the selection of jewels or of insurance.

... Agents of the National Fire Group
companies know insurance.

—D. S. Butler

The National Fire Group

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD
MECHANICS and TRADERS INSURANCE COMPANY

FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK
TRANSCONTINENTAL INSURANCE COMPANY

UNITED NATIONAL INDEMNITY COMPANY

EXECUTIVE AND ADMINISTRATIVE OFFICE, HARTFORD 15, CONN.

WESTERN DEPARTMENT
175 W. JACKSON BLVD., CHICAGO 4, ILL.



PACIFIC DEPARTMENT
234 BUSH STREET, SAN FRANCISCO 20, CAL.

MEMBER THE ASSOCIATED AVIATION UNDERWRITERS

N. Y. Allays Jitters as It Opens Study of Clayton Act

Probe Merely Accords with N.A.I.C. Behest for State-by-State Study

NEW YORK—The New York department has started a study of company operations which might conceivably be in violation of the Clayton act. However, this does not mean that any new developments have come up to cause the department to attach added significance to the Clayton act. In fact, Deputy Superintendents A. J. Bohlinger and Thomas Morrill called a special press conference to explain what the department is doing, so that no one, hearing of the department's studies, would attach distorted significance to them.

The department's study is the outgrowth of the recent declaration by the federal legislation committee of National Assn. of Insurance Commissioners at the Atlantic City meeting that action on the Clayton act should be left to the individual states. The New York department hopes to have its survey completed before the midyear meeting of N.A.I.C. so as to be able to give the commissioners' association the benefit of its findings.

Dineen Wants Complete Analysis

At the press conference Mr. Bohlinger pointed out that the Clayton act has been given some study by the all-industry committee and the commissioners but that no complete analysis has been made. He said Superintendent Dineen, realizing the PL 15 deadline is approaching, wanted a study made and that varilous people in the department had been assigned to study different aspects of the Clayton act. He said he realized that as soon as it became known that the department had embarked on this study wrong inferences might be drawn. He emphasized that it was no witch hunt but just an objective study to determine what is best for the industry and for state regulation. It is not aimed at any group or individual company but is just a part of the federal problem, he said.

S. M. Levy, who was originally brought into the department to make a study of title insurance operations, has been assigned to the study as special counsel. He will probably be the one doing most of the contact work with the various company groups. Mr. Bohlinger said it was impossible to say at this stage whether additional legislation would be needed. He said maybe the industry itself will come forward with legislative proposals.

Among the matters to be explored are the extent to which any single group of companies controls business and whether this could conceivably be regarded as monopolistic or in restraint of trade, also whether limitation of agency rules is vulnerable. However, at present no group transacts as much as 10% of the total fire business. Pool operations will probably be included in the study. Answering a query, Mr. Bohlinger said this study is separate from that of the Mahoney committee of the New York legislature which will shortly embark on an investigation of how PL 15 affects New York's regulation of insurance.

BLOYS COMMITTEE'S REPORT

PL 15 Legislation to Date Summarized by Bar Group

NEW YORK — John V. Bloys, assistant general counsel Life Insurance Assn. of America and chairman of the insurance status committee of the American Bar Assn.'s section on insurance law, has released a summary, prepared by the committee, on 1947 legislation growing out of the S.E.U.A. decision and public law 15. Covering developments of the third year since the Supreme Court's decision that insurance is commerce, it supplements a booklet, published last November, summarizing the first two years of insurance as interstate commerce. A limited supply of that booklet is still available. Copies may be obtained through the American Bar Assn. headquarters at Chicago. Below is given a slightly abridged version of the report covering 1947 legislation. The accompanying tabulation, taken from the report, shows in detail what has happened to the various measures introduced in the state legislatures and in Congress.

The principal development of the third year following the Supreme Court's decision holding insurance to be interstate commerce was in the field of state legislation. There was no litigation of major importance.

During the spring of 1947 the legislatures of 44 states were in regular session and legislation was considered to strengthen the existing state laws which regulate insurance and thus meet the invitation in public law 15. Most of the 1947 legislation resulting from the S.E.U.A. case was along the line of the four bills prepared by National Assn. of Insurance Commissioners and the all-industry committee. (Further along in the report are brief digests of these model bills.) In some states, however, rate regulatory enactments varied from the commissioners' and all-industry committee recommendations in a number of particulars, including elimination of the rate filing requirement, the waiting period and the provision directing the commissioner to review such filing.

Summary of 1947 Enactments

Below is a brief resume of all such 1947 enactments. A state-by-state tabulation of all 1947 P.L. 15 legislation is shown in the accompanying chart. Rate regulatory laws—mostly along the line of the commissioners' and all-industry committee recommendations—were enacted during 1947 in the following 35 states:

- **Arizona
- *Arkansas
- California
- **Colorado
- *Connecticut (replaces 1945 law)
- **Delaware
- Florida
- *Georgia
- *Idaho (fire only)
- *Illinois (before gov.)
- Indiana
- *Iowa
- *Kansas (fire only)
- **Maine
- Massachusetts
- **Michigan
- *Minnesota
- Montana
- *Nebraska
- *Nevada
- **New Hampshire (before gov.)
- New Jersey (inland marine only — before gov.)
- *New Mexico
- *North Dakota
- **Ohio
- *Oregon
- **Pennsylvania
- *South Carolina

*South Dakota (replaces 1945 law)

**Utah

Vermont (casualty only)

Washington

*West Virginia (certain fire and marine only)

**Wisconsin

**Wyoming

*Follows all-industry-N.A.I.C. bills.

**Follows all-industry-N.A.I.C. bills, but with modifications.

Such bills are still pending in the District of Columbia.

Fair Trade Practice Bills

Fair trade practice measures, substantially similar to the commissioners' and all-industry committee drafts, were enacted in Florida, Indiana, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, New Mexico, Pennsylvania, South Carolina, South Dakota, Tennessee, and Wisconsin (before gov.).

In Utah and Washington, new insurance codes included provisions which differed from the all-industry-N.A.I.C. recommendations dealing with unfair trade practices.

The substance of the all-industry-N.A.I.C. bill dealing with accident and health was enacted in Colorado, Connecticut, Delaware, Florida (before gov.), Indiana, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Mexico, New York, Ohio (before gov.), Oklahoma, South Carolina, Vermont and Washington. Such measures are still pending in Missouri and Wisconsin.

RETALIATORY STATUTES

Restoration of the retaliatory laws in three states was an entirely unrelated type of legislation—not part of any program—but nevertheless an indirect result of the S.E.U.A. decision. These states, Maine, Maryland and Oregon, re-enacted their retaliatory laws which had been repealed in 1945. The 1946 Supreme Court decisions in *Hobbs vs. Pacific Mutual* and *Prudential vs. Benjamin* dispelled the fear generally felt in 1945 that the tax imposed on foreign companies by retaliatory laws violated the commerce clause of the federal constitution.

Premium tax laws in six states were amended to restore exemption or lower rates for domestic companies. These states are Arkansas, Maine, North Carolina, Oklahoma, Oregon, and Washington.

In addition to the foregoing, a number of states, prior to 1947, already had legislation on their statute books which it was felt adequately regulated the business of insurance within the meaning of public law 15. Some of these states, Alabama, Connecticut, Florida, Kansas, Maryland, North Carolina, South Dakota, Tennessee and Texas, enacted rate regulatory legislation in 1945; Kentucky and Mississippi enacted such legislation in 1946; and others, such as Louisiana, New Jersey and New York, have had, for a number of years, legislation in force which provided for supervision of rate-making. As to the fair trade practices type bill, many states already had statutes in various parts of their insurance laws which prohibited most of the practices specified in the fair trade practices act.

The National Assn. of Insurance Commissioners and the all-industry com-

(CONTINUED ON PAGE 10)

Shorten N.A.I.A. Convention Period to Three Days

Main Outlines of Atlantic City Schedule Are Completed

The tentative pattern for the Atlantic City convention of National Assn. of Insurance Agents has been completed.

Originally scheduled to be held Monday through Friday the week of Oct. 12, the program has been shortened into three days, Oct. 13-15.

The convention setting is a belated tribute to the New Jersey Assn. of Insurance Agents' 50th anniversary in 1943. N.A.I.A. was unable to hold its scheduled convention in New Jersey that year because of the war.

Monday, Oct. 13, will be designated as "New Jersey Day." The New Jersey state association will hold its own convention at the Traymore Hotel that afternoon. A large delegation, all of whom will be housed in the Traymore, is expected from the host state.

"Pennsylvania Day" will be celebrated Sunday, Oct. 12, with the Pennsylvania association arranging its annual convention that day in conjunction with the national meeting, at the Morton hotel. All Pennsylvania delegates will have accommodations at the Morton.

Headquarters for N.A.I.A. and the place of many of the meetings will be Haddon Hall Hotel. Approximately 1,700 rooms have been reserved in about 10 hotels within two blocks of Haddon Hall and Chalfonte, which are companion hotels.

Expect Over 2,000

A registration of over 2,000 is anticipated, according to Granville H. Steelman, chairman of the Atlantic City host committees.

Meetings of the executive committee will be held Saturday and Sunday, Oct. 11-12.

The first convention sessions the morning of Oct. 13, will be held at the Traymore and will consist of five territorial conferences. The opening general session is planned to follow at 11.

Monday afternoon the National Board of State Directors will hold its first session at Haddon Hall, followed by a second meeting the next morning.

Farm Agents Breakfast

Also on Tuesday morning, there is scheduled a farm and small town agents breakfast at Haddon Hall. A luncheon for the state association officers is planned for that noon.

Three agency production forums will be held at the headquarters hotel Tuesday afternoon. These, together with a general sales production conference at the Steel Pier, Wednesday morning, will constitute the personal income appeal.

An outstanding variety show is scheduled at the Steel Pier Tuesday evening.

Prior to the sales production conference sessions Wednesday morning, the educational division will hold a breakfast conference for state and local association secretaries at Haddon Hall at 8 a. m.

The closing general session of the convention will be held at the Steel Pier Wednesday afternoon. A colorful con-

(CONTINUED ON PAGE 11)

Grain Assn. Rate Boost Approved in Six Key States

**Four More to Go:
Overall Losses Since
1942 Ran 173%**

The rate increase program of Underwriters Grain Assn. has now been approved in Minnesota, Missouri, Ohio and Indiana, and effective without action in Iowa and Nebraska. The other important states in which action is awaited on the rate increase filings are Wisconsin, Illinois, Kansas and Oklahoma.

The program embraces a 66% rate increase on frame, sprinklered and un-sprinklered terminal elevators and 10% increase on the fireproof houses. The increases apply on building, machinery, grain, U.&O. and warehouse charges.

The Grain Association is to engage in further study of schedules applying to terminal elevators. Thus, eventually there will probably be an entire rerating of the elevators. It was decided, however, that for the present, such a procedure would be too slow and laborious, and that the underwriting emergency was such that a flat percentage rate increase had to be applied.

Over the years the line has been unprofitable and the blow that killed father, so to say, and that made the underwriters determined to seek immediate and substantial relief were the two elevator fires in Minneapolis last December that caused a total loss of about \$4 million. Since companies, agents and insured want to keep the pool in operation, the increase was the obvious immediate necessity.

The beating which the grain pool has been taking over the last 10 years is revealed by association showing \$8,034,466 in total premiums from 1937 to 1946 compared to losses of \$11,547,487, an experience ratio of approximately 143%.

Total premiums for the five year period, 1942-1946 inclusive, were \$4,717,622 and losses ran \$8,185,489, a ratio of approximately 173%.

Indication of the disparity in experience between fireproof structures and frame structures, both non-sprinklered and automatic sprinklered, is to be gained from comparing experience ratios. In the most recent five-year period, the experience ratio on non-sprinklered frame terminal elevators was 189%, on automatic sprinklered elevators it was 277% and on fireproof structures it was 14%.

Similar comparison during the 10 year period shows an experience ratio on non-sprinklered housing of 167%, on automatic sprinklered, 201% and on fireproof 29%.

Breaking down the last five year's experience, the loss ratio on non-sprinklered building cover alone was 163%, on automatic sprinklered building cover alone was 245% and on fireproof buildings 17.36%.

The ratio for grain in non-sprinklered terminal buildings during the last five years ran 201%, grain in automatic sprinklered buildings hit 287% and in fireproof structures, ran 13%.

Since 1937 there have been 10 losses running considerably in excess of \$100,000, totaling \$11,238,588. Topping the individual losses was that of the Union elevator at Minneapolis in 1946, loss on which is estimated by the pool at \$2,800,000, which was followed a few days later with a loss to the Empire "C" elevator at Minneapolis, of an estimated \$1,750,000.

Clement Takes Executive Post with Brokers Assn.

National Assn. of Insurance Brokers has designated W. Winthrop Clement executive vice-president, effective July 15. Mr. Clement resigned recently as executive secretary of Risk Research Institute.

In his recent activity in connection with rating legislation, Mr. Clement has become widely acquainted throughout the insurance business and with various government officials.

He graduated from Colby College in 1934 and is a native of Winthrop, Maine. He entered insurance selling in 1935 in New York City. In 1939, he joined the Lerner Stores Corp. as insurance manager and after 1½ years' war work joined Risk Research Institute in 1943.

Earthquake Provision in New S. F. Building Code

SAN FRANCISCO — San Francisco for the first time has earthquake provisions in its building code, the result of a strong campaign by H. C. Vensano, director of public works, who had struggled for two years to get the code strengthened to include such a provision.

He was supported by Prof. L. S. Jacobsen of Stanford University, noted engineer and authority on structural dynamics and vibrations, and the Pacific Board. Basing its presentation as to the necessity for inclusion of such provisions on the studies made by H. M. Engle, its structural engineer, who has made a continuing study of earthquakes for the board over a number of years, the board intimated that the present is a "threatening" situation.

Mr. Engle in his report stated that San Francisco, on the whole, is not as well prepared to take a major quake today as it was in 1906 — when \$350 million damage was done by fire and quake. He said fire stations, many of them erected before 1906 and others later, are not earthquake proof, which might result in fire apparatus being penned in and unable to function in case of a quake.

The new code requires lateral strengthening on the top floors of new buildings equal to 8% of the weight of the building and its contents. On a 27-story building this would be 4% on the bottom floor. The old building code had no lateral strength requirements.

A.F.I.A. Men Back from Overseas

After three years in Cairo, Egypt, James Nichols, manager of American Foreign Insurance Assn. for Egypt, returned to the head office by way of Italy, France, England and Belgium, where he met insurance officials and discussed local insurance conditions. Mr. Nichols spent 15 years in India and five in China, two of which were as a prisoner of the Japanese in Shanghai. Following his release by the Japanese he returned to New York and later assumed charge of the association's branch office in Egypt. Within recent months Mr. Nichols married Miss Itala Rossicci, an attorney of the mixed courts in Cairo, who is with him on his visit to New York.

N. H. Wentworth, field superintendent of the association recently returned to the head office after a three months visit to agents and branch offices in Morocco, Algiers, France, Belgium, the Netherlands and Denmark. He also visited Portugal and Spain. During his absence from the United States, Mr. Wentworth was the recipient of croix de guerre with palm awarded by the French government in recognition of his services during the recent war.

Indiana Adjusters Lay Plans for a State Organization

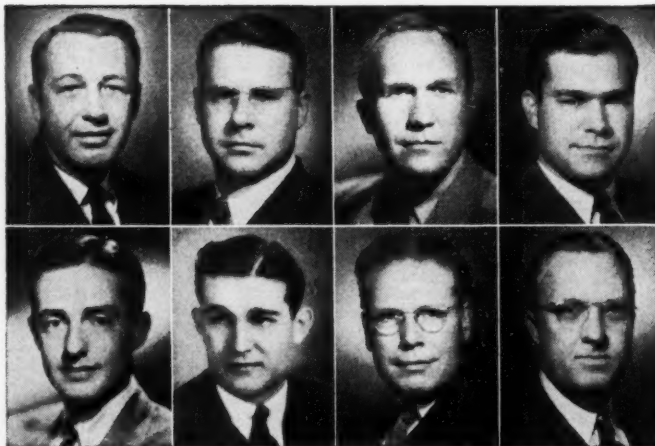
At the adjusters' state convention sponsored by North Central Indiana Adjusters Assn., it was decided to organize a state association, and Harold E. Seaman, north central president, was elected state chairman. He appointed a committee member from each local association which includes Joe Whipple, South Bend; Morris E. McDaniels, Terre Haute; F. C. Scott, Indianapolis; Robert Ryon, Fort Wayne, and L. H. Castle, Gary. The committee will meet in October at Indianapolis.

Speakers were Commissioner Pearson and Safety Director Harrison of Indiana; Phil McNagy, Fort Wayne attorney, and Lester Bergeron, St. Paul F. & M.

Montreal Institute Elects

W. G. Child, Great American, has been elected president of the Insurance Institute of Montreal. Vice-presidents are H. W. Bell, Royal-Liverpool, also M. W. Donald, Robert Hampson Ltd. Honorary secretary is R. W. Coutts, North British, and honorary treasurer H. C. K. Organ, Prudential of London.

Younger Generation in Board Posts



To inject young blood into the administration of the R. B. Jones & Sons agency of Kansas City eight new directors with an average age of 35 years have been elected as directors.

The program, long contemplated, to give such preferment to younger leaders in the organization, was deferred until this time when all of the men are back from service.

The new directors are (top row from left) Robert A. Braddock, Virgil Dow, Dana Durand, Cary W. Jones, Jr. (bottom row) Cliff C. Jones, Jr., Morton M. Jones, Ward Manion and L. E. Wilkins.

N. Y. Publishes Study of Fire Occupancy Clauses

The New York department has released for public distribution a booklet "Classification of Fire Occupancy Hazards." It presents the history and development of the uniform statistical plan for classified fire experience adopted in 1946. The reasoning underlying the establishment of each class is set forth including the comparisons with individual company classification systems and the relative weighting of the class as to damageability and combustibility under the analytic and New York Fire Insurance Rating Organization systems. Copies may be obtained from New York department at \$1.

The study of fire insurance classifications was undertaken by the department in 1944. In June, 1945, a special subcommittee of the fire and marine committee of National Assn. of Insurance Commissioners was named to study and develop a new uniform statistical plan, and the subcommittee made use of the facilities of the New York department. Separate studies were also conducted by the industry.

The present plan was approved by N.A.I.C. in June, 1946.

Describe Separate Classifications

The text consists in part of reports prepared while the work was in progress, but most of the booklet describes the separate classifications and the considerations involved in their establishment. Illustrations are given of similar classifications maintained by individual companies, together with the indications of relative hazards derived from an analysis of net line books. In many classes tables are presented showing the relative combustibility and damageability ratings under the analytic system of types of risks which are components of the class, as well as the combustibility, and first and second column occupancy charges of the New York Fire Insurance Rating Organization. The conclusions to be drawn from these factors are set forth, so that the reader is informed as to the essential logic upon which the class was established and the degree of homogeneity within the class.

The appendices include exhibits of the National Board's classifications of occupancy hazards of 1915, 1925 and 1928, as well as a comparison of these classifications with the National Board plan of 1932. An exhibit also compares the proposals of 1945 and 1946 with the new plan as adopted, excluding manufacturing classes. The new plan is set forth in full in the text.

Weak Spots at Cleveland

The National Board has issued a report on Cleveland that criticizes a number of features of the firefighting facilities there, but apparently Cleveland's rating as a third class city is not jeopardized thereby. The National Board states that there has been no improvement in the fire department in the past 15 years, too many firemen are over age, the training of the department has been unsatisfactory, building inspections are too infrequent, hose is inadequate, old and only in fair condition.

The report states that the proposed improvement in the water supply system is badly needed.

Tisdale Joins Agency

PORTLAND, ORE.—C. H. Tisdale, special agent of Loyalty group in Portland for three years, has become an executive of Durham & Bates agency.

Mr. Tisdale has been in insurance since graduating from University of Oregon in 1918. He spent four years as a local agent in Sutherlin, Ore., six years with Deposit Insurance Agency, three years with Central Manufacturers Mutual and four years as deputy insurance commissioner of Oregon.

N. Y.

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Accident
Aetna Cas.
Am. Auto
Am. Cas.
Am. Emp.
Am. Guar.
Am. Mot.
Am. Sure
Associated
Bankers
Car & Ge.
Central S.
Century
Columbia
Commercial
Continental
Eagle Ind.
Employer
Fidelity &
Fid. & D.
Fireman's
General A.
General C.
Globe Ind.
Great Am.
Guaranty
Hartford
Home Ind.
Indem. of
International
London G.
Lond. & L.
Manufact.
Maryland
Mass. Bom.
Merchants
Metropolitan
National
National
New Amst.
N. England
New York
Ocean Acc.
Peerless
Phoenix
Preferred
Royal Ind.
St. Paul
Seaboard
Standard
Standard
Sun Indem.
Travelers
United Nat.
U. S. Cas.
U. S. F. &
U. S. Guar.
Western N.
Yorkshire

1946 Tot
1945 Tot
1944 Tot

Am. Mut.
Empl. Mut.
Farm Bur.
Liberty M.
Lumb. M.
National C.
Security M.

1946 Tot
1945 Tot
1944 Tot

Am. Reins.
Empl. Reins.
Europ. Ge.
Excess
General R.
N. A. C. &

1946 Tot
1945 Tot
1944 Tot

Acc. & Cas.
Aetna Cas.
Am. Auto
Am. Cas.
Am. Credit
Am. Empl.
Am. Motor

N. Y. Department Reviews Fidelity and Surety Experience

The New York department has released a study of fidelity and surety experience, based upon casualty insurance expense exhibits filed by companies licensed in that state.

Fidelity premiums earned last year by stock companies were just about the same as the previous year, but the written premiums were about \$19 million less due to the fact that so much business was rewritten on a three year basis in 1945 when the term plan was ex-

tended to fidelity lines. The loss ratio on an incurred and earned basis increased to 19.7 from 17.9 the previous year, but the expense ratio went up and the underwriting gain was 22.4 as against 28.7 the previous year.

In the surety department, the premiums written increased almost \$10 million and again there was a negative loss ratio, the figure being —3.8 as compared with —.9 the previous year. There was an underwriting profit of

42.3 as against 42.4 the previous year.

The expense ratios do not include federal income tax. They were 61.5 in 1946 and 58.5 in 1945.

The New York department also showed the premiums earned and the loss ratio in New York state. For stock companies fidelity premiums last year in New York totaled \$7,580,865 and the loss ratio was 29.8. On surety the premiums were \$5,690,870 and there was a negative loss ratio of 10.1.

Fidelity Experience

STOCK COMPANIES

| | Underwriting Ratios | | Exp. (adj.) | Net gain (adj.) | Claim exp. to earned | Expense Analysis | | Insp. & bur. to earned | Taxes & fees to written |
|---------------------------|----------------------|---------------------------|-------------|-----------------|----------------------|-----------------------------|---------------------|------------------------|-------------------------|
| | Net premiums written | Losses incurred to earned | | | | Acq. & fld. sup. to written | Gen. adm. to earned | | |
| Accident & Cas. | \$ 50,215 | \$ 42,325 | 30.6 | 87.8 | —18.4 | 5.3 | 36.9 | 39.9 | 1.5 |
| Aetna Cas. | 1,874,345 | 1,901,752 | 20.6 | 66.9 | 13.4 | 10.3 | 35.8 | 16.2 | 3.2 |
| Am. Auto. | 78,151 | 43,197 | 39.3 | 157.4 | —96.7 | 2.3 | 107.7 | 9.8 | 3.1 |
| Am. Cas. | 161,756 | 148,656 | 22.4 | 53.3 | 24.3 | 2.6 | 28.2 | 15.4 | 3.1 |
| Am. Employers | 385,218 | 343,713 | 20.5 | 58.1 | 21.4 | 6.5 | 34.6 | 12.2 | 4.0 |
| Am. Gen'l. & Liab. | 214,254 | 169,059 | 38.6 | 27.3 | 54.1 | 3.7 | 12.2 | 4.3 | 3.2 |
| Am. Motorists | 181,392 | 127,185 | 37.2 | 49.0 | 13.8 | 4.0 | 29.5 | 13.4 | 2.0 |
| Am. Surety | 2,801,509 | 3,213,817 | 14.7 | 69.2 | 16.1 | 6.2 | 34.6 | 23.5 | 4.5 |
| Associated Ind. | 79,253 | 43,530 | 24.9 | 125.7 | —50.6 | 9.8 | 53.3 | 57.5 | 3.6 |
| Bankers Ind. | 7,733 | 7,770 | —22.9 | 21.2 | 101.7 | 11.6 | —2.3 | 6.3 | 5.6 |
| Car & General | 4,056 | 2,055 | 103.0 | 199.0 | —202.0 | 1.2 | 14.8 | 164.2 | 13.7 |
| Central Sur. | 231,696 | 223,745 | 8.1 | 39.8 | 52.1 | 2.2 | 19.1 | 15.8 | 1.8 |
| Century Ind. | 385,953 | 363,013 | 33.7 | 52.8 | 13.5 | 7.6 | 30.3 | 11.2 | 2.9 |
| Columbia Cas. | 206,867 | 201,597 | 2.9 | 42.6 | 54.5 | 4.5 | 25.2 | 9.3 | 2.9 |
| Commercial Cas. | 215,794 | 210,506 | 32.9 | 64.0 | 3.1 | 10.3 | 29.5 | 21.8 | 1.3 |
| Continental Cas. | 697,165 | 654,611 | 12.2 | 76.4 | 11.4 | 13.9 | 22.6 | 32.2 | 3.5 |
| Eagle Indem. | 118,919 | 175,333 | 20.7 | 51.2 | 28.1 | 8.3 | 27.9 | 10.4 | 1.6 |
| Employers Liab. | 498,179 | 443,548 | 16.2 | 63.1 | 20.7 | 7.4 | 41.9 | 7.6 | 1.4 |
| Fidelity & Cas. | 1,614,917 | 1,704,082 | 18.1 | 60.9 | 21.0 | 8.8 | 25.7 | 18.6 | 1.8 |
| Fid. & Dep. | 5,223,373 | 5,510,381 | 14.8 | 61.2 | 24.0 | 8.4 | 38.3 | 11.0 | 2.9 |
| Fireman's Fund Ind. | 320,600 | 302,129 | 21.9 | 61.1 | 17.0 | 1.1 | 26.8 | 24.6 | 2.1 |
| General Acc. | 1,639 | 820 | ... | 50.5 | 49.5 | ... | 33.4 | 11.5 | 3.2 |
| General Cas. Seattle | 245,595 | 234,288 | 29.5 | 40.3 | 30.2 | 7.7 | 24.8 | 4.7 | 2.8 |
| Glens Falls Ind. | 260,054 | 248,522 | 16.1 | 54.5 | 29.4 | 7.6 | 25.5 | 16.7 | 1.3 |
| Globe Ind. | 646,233 | 610,768 | 26.9 | 59.1 | 14.0 | 9.0 | 32.1 | 14.7 | 2.6 |
| Great Am. Ind. | 409,638 | 392,143 | 11.3 | 57.3 | 31.4 | 2.6 | 28.1 | 22.2 | 2.0 |
| Guarantee of N. A. | 101,200 | 120,491 | 19.6 | 74.6 | 3.6 | 3.6 | 38.6 | 28.0 | 5.4 |
| Hartford Acc. | 2,081,149 | 2,180,906 | 29.1 | 51.6 | 19.3 | 6.9 | 24.0 | 17.3 | 1.6 |
| Home Indem. | 253,501 | 246,450 | 63.0 | 60.6 | —23.6 | 16.5 | 17.9 | 21.8 | 1.4 |
| Indem. of N. | 1,424,294 | 1,222,376 | 21.9 | 48.5 | 29.6 | 7.5 | 23.3 | 14.6 | 3.3 |
| International Fid. | 39,999 | 36,176 | 2.8 | 81.6 | 15.6 | ... | 9.9 | 68.4 | ... |
| London Guar. | 28,615 | 12,917 | 14.3 | 146.1 | —60.4 | 1.2 | 12.9 | 124.0 | 4.3 |
| Lond. & Lanc. Ind. | 33,800 | 34,361 | 11.7 | 87.2 | 1.1 | 31.5 | 30.5 | 16.7 | 3.1 |
| Manufacturers Cas. | 108,156 | 88,875 | 24.4 | 52.7 | 22.9 | 5.4 | 26.1 | 16.5 | 2.3 |
| Maryland Cas. | 1,806,452 | 1,728,630 | 20.9 | 57.0 | 22.1 | 9.8 | 31.8 | 11.2 | 1.3 |
| Mass. Bonding | 1,001,390 | 1,028,969 | 20.6 | 58.9 | 20.5 | 12.4 | 30.6 | 13.8 | 1.9 |
| Merchants Ind. | 1,254 | 1,632 | 39.1 | 47.3 | 13.6 | ... | 39.2 | 5.5 | 1.7 |
| Metropolitan Cas. | 142,001 | 129,197 | —53.4 | 61.6 | 91.8 | 9.9 | 29.6 | 20.9 | 1.2 |
| National Cas. | 23,392 | 23,705 | —94.0 | 71.0 | 123.0 | 26.6 | 24.4 | 14.4 | 1.0 |
| National Surety | 3,409,672 | 2,538,112 | 20.2 | 60.3 | 19.5 | 8.6 | 33.3 | 15.7 | 1.9 |
| New Amsterdam Cas. | 1,009,368 | 960,079 | 9.5 | 47.5 | 43.0 | 7.3 | 27.3 | 9.6 | 3.0 |
| N. England Cas. | 1,052 | 2,293 | 3.1 | 31.8 | 65.1 | 3.6 | 24.7 | ... | 2.8 |
| New York Cas. | 436,603 | 440,791 | 13.1 | 55.2 | 31.7 | 5.6 | 26.5 | 19.6 | 3.2 |
| Ocean Acc. | 223,356 | 218,096 | 20.5 | 41.0 | 38.5 | 3.4 | 23.5 | 10.3 | 3.1 |
| Peerless Cas. | 179,215 | 151,879 | 13.2 | 34.7 | 52.1 | 2.1 | 24.5 | 6.9 | 1.1 |
| Phoenix Ind. | 25,898 | 12,471 | 8.0 | 66.1 | 25.9 | 2.7 | 20.7 | 35.9 | 3.1 |
| Preferred Acc. | 79,433 | 77,578 | 68.4 | 65.9 | —34.3 | 20.6 | 35.5 | 7.9 | 1.6 |
| Royal Indem. | 584,351 | 552,032 | 28.8 | 58.9 | 12.3 | 12.4 | 28.7 | 14.2 | 2.8 |
| St. Paul Merc. Ind. | 479,917 | 359,332 | 46.2 | 44.4 | 9.4 | 9.5 | 7.9 | 16.0 | 1.6 |
| Seaboard Surety | 534,942 | 519,337 | 21.5 | 48.9 | 29.6 | 5.1 | 24.8 | 12.1 | 4.4 |
| Standard Acc. | 771,236 | 773,236 | 13.3 | 78.9 | 7.8 | 10.7 | 39.7 | 25.4 | 2.5 |
| Standard Sur. & Cas. | 67,130 | 57,485 | 30.8 | 70.0 | —8 | 11.3 | 44.6 | 10.2 | 1.0 |
| Sun Indemnity | 40,200 | 41,695 | 7.7 | 31.3 | 61.0 | 8.3 | 14.9 | 5.9 | 1.3 |
| Travelers Ind. | 748,896 | 639,591 | 30.7 | 62.6 | 6.7 | 8.5 | 33.6 | 17.0 | 2.9 |
| United Nat'l Ind. | 14,777 | 5,028 | 34.1 | 178.9 | —113.0 | 2.9 | 21.0 | 141.4 | 8.5 |
| U. S. Casualty | 184,622 | 148,183 | 38.1 | 64.2 | —2.3 | 5.1 | 29.9 | 26.7 | 1.8 |
| U. S. F. & G. | 3,882,019 | 3,820,254 | 21.5 | 48.4 | 30.1 | 4.1 | 29.5 | 11.4 | 2.7 |
| U. S. Guarantee | 613,245 | 674,182 | 13.0 | 47.0 | 40.0 | 8.6 | 6.9 | 27.7 | 3.3 |
| Western Nat'l Ind. | 119,425 | 114,726 | 22.9 | 41.0 | 36.1 | 5.5 | 26.9 | 8.7 | 4.2 |
| Yorkshire Indem. | 54,200 | 56,830 | 2.5 | 57.2 | 40.3 | 8.8 | 44.0 | 2.0 | 2.1 |
| 1946 Totals | \$ 37,419,985 | \$ 37,345,440 | 19.7 | 57.9 | 22.4 | 7.8 | 30.1 | 16.0 | 3.2 |
| 1945 Totals | 56,525,293 | 37,602,907 | 17.9 | 53.4 | 28.7 | 7.6 | 24.9 | 16.9 | 3.3 |
| 1944 Totals | 38,762,367 | 37,966,710 | 14.8 | 55.8 | 29.4 | 7.2 | 29.3 | 15.1 | 3.5 |

MUTUAL COMPANIES

| | Net premiums written | Losses incurred to earned | Exp. (adj.) | Net gain (adj.) | Claim exp. to earned | Acq. & fld. sup. to written | Gen. adm. to earned | Insp. & bur. to earned | Taxes & fees to written |
|---------------------------|----------------------|---------------------------|-------------|-----------------|----------------------|-----------------------------|---------------------|------------------------|-------------------------|
| Am. Mut. Lia. | \$ 155,472 | \$ 181,487 | 17.8 | —10.5 | 92.7 | 7.3 | —31.1 | 9.6 | 3.7 |
| Empl. Mut. Lia. | 83,873 | 27,577 | 8.0 | 115.9 | —23.9 | 2.2 | 16.6 | 88.8 | 5.4 |
| Farm Bureau Mut. | 3,568 | 2,933 | 8.7 | 67.7 | 23.6 | 4.7 | —13.3 | 70.9 | 2.5 |
| Liberty Mutual | 833,202 | 738,452 | 29.3 | 28.1 | 42.6 | 11.6 | 7.8 | 3.0 | 4.2 |
| Lumb. M. Cas. | 423,245 | 296,762 | 33.9 | 44.1 | 22.0 | 4.0 | 17.4 | 20.7 | 1.8 |
| National Grange Mut. | 10,326 | 7,558 | 22.5 | 63.3 | 14.2 | 5.9 | 40.1 | 13.4 | 3.6 |
| Security Mut. Cas. | 19,772 | 14,269 | 33.8 | 61.8 | 4.4 | 3.2 | 52.0 | 5.9 | 7.7 |
| 1946 Totals | \$ 1,529,458 | \$ 1,269,038 | 28.2 | 31.2 | 40.6 | 8.8 | 7.7 | 10.2 | 2.6 |
| 1945 Totals | 1,340,692 | 1,174,913 | 46.0 | 27.9 | 26.1 | 9.4 | 4.1 | 10.3 | 1.7 |
| 1944 Totals | 1,226,022 | 1,141,330 | 29.0 | 27.1 | 43.9 | 7.9 | 1.2 | 15.6 | 2.2 |

REINSURANCE COMPANIES

| | Net premiums written | Losses incurred to earned | Exp. (adj.) | Net gain (adj.) | Claim exp. to earned | Acq. & fld. sup. to written | Gen. adm. to earned | Insp. & bur. to earned | Taxes & fees to written |
|--------------------------|----------------------|---------------------------|-------------|-----------------|----------------------|-----------------------------|---------------------|------------------------|-------------------------|
| Am. Reins. | \$ 890,956 | \$ 848,598 | 34.3 | 62.4 | 4.7 | 3.6 | 53.8 | 4.0 | 4.4 |
| Empl. Reins. | 856,793 | 779,361 | 32.9 | 48.8 | 28.7 | 1.4 | 45.8 | 1.4 | 1.1 |
| Europ. Gen'l Reins. | 1,369,161 | 1,291,548 | 22.5 | 55.0 | 33.5 | 1.0 | 38.5 | 11.9 | 3.6 |
| Excess | 138,356 | 110,964 | 11.5 | 46.9 | 16.4 | 2.5 | 37.5 | 4.2 | 2.5 |
| General Reins. | 1,128,078 | 1,003,670 | 36.7 | 48.4 | 8.3 | 2.5 | 45.7 | —5 | 7.7 |
| N. A. C. & S. Re. | 70,446 | 60,567 | 43.3 | ... | ... | ... | ... | ... | ... |
| 1946 Totals | \$ 4,453,790 | \$ 4,094,708 | 30.4 | 50.3 | 19.3 | 1.8 | 42.9 | 4.1 | 1.3 |
| 1945 Totals | 5,812,504 | 3,964,648 | 29.9 | 52.6 | 26.2 | 1.1 | 45.8 | 4.6 | 1.3 |
| 1944 Totals | 4,195,571 | 3,660,646 | 21.2 | 50.9 | 14.8 | ... | 40.9 | 7.8 | 1.9 |

Surety Experience

STOCK COMPANIES

| | Net premiums written | Losses incurred to earned | Exp. (adj.) | Net gain (adj.) | Claim exp. to earned | Acq. & fld. sup. to written | Gen. adm. to earned | Insp. & bur. to earned | Taxes & fees to written |
|----------------------|----------------------|---------------------------|-------------|-----------------|----------------------|-----------------------------|---------------------|------------------------|-------------------------|
| Acc. & Cas. | \$ 51,582 | \$ 43,323 | 92.7 | 74.6 | —67.3 | 2.2 | 37.6 | 31.2 | 1.4 |
| Aetna Cas. | 2,568,951 | 2,097,385 | —12.5 | 69.4 | 43.1 | 4.8 | 37.2 | 23.7 | 4.4 |
| Am. Auto. | 4,875 | 2,357 | 170.8 | 71.8 | —70.8 | 17.1 | 33.0 | 111.4 | 24.0 |
| Am. Cas. | 358,011 | 281,613 | —7.7 | ... | ... | ... | 36.1 | 14.1 | 1.0 |
| Am. Credit Ind. | 1,610 | 1,282 | ... | ... | ... | ... | ... | ... | ... |
| Am. Employers | 423,230 | 361,625 | 12.6 | 68.7 | 18.7 | 3.8 | 46.0 | 16.0 | 1.7 |
| Am. Motorists | 53,885 | 36,512 | 6.3 | 42.6 | 51.1 | 1.4 | 27.4 | 11.4 | 2.1 |

(CONTINUED ON PAGE 36)

Senate Passes Moratorium Extension Bill

Insurance Men Satisfied Measure Didn't Spring from the Industry

WASHINGTON — The McCarran-Wiley bill to extend the insurance anti-trust moratorium period for six months until June 30, 1948, passed the Senate by unanimous consent. There was no opposition voiced, but Senator McCarran explained briefly why he thought passage should be voted.

The bill now goes to the House judiciary committee, but its chairman, Rep. Michener, Michigan, has indicated he knew nothing about it or intention to take it up for action.

Insurance representatives have been here investigating who is behind this legislation and why and have become satisfied that introduction of the bill was on the initiative of the two senators whose names it bears—Wiley and McCarran—and particularly the latter.

In response to a request by Senator Taft, majority leader, for an explanation, McCarran said "it is necessary" to extend public law 15 "in order that Congress may make its own investigation as to whether the insurance industry is bringing itself in line, so that no further legislation from the federal Congress may be necessary."

There were no immediate indications the House judiciary committee would take up the bill promptly for action. The bill had not been officially referred to that committee for several days.

The life companies are not backing extension of the moratorium. Casualty interests are understood to feel that the question of an extension could well await 1948. National Board people are represented as indifferent on the proposal—if Senators want to push it and if Congress wishes to pass it, well it's OK with the fire interests.

Motor Damage Not Covered by Comprehensive Policy

The comprehensive automobile policy does not cover motor damage resulting from babbitt from the bearings melting between the connecting rod and crank case and cracked pistons, the Kansas City court of appeals held in reversing the trial court in Roberts vs. State Farm Mutual Automobile. The company contended that evidence showed the loss was due to a cause excluded from policy coverage. The insured contended that he made out a prima facie case under the terms of the policy when he offered substantial evidence tending to prove that the motor became damaged in some manner other than by collision, and that it was then incumbent on the insurer to prove that the damage resulted from a cause excluded from coverage. In answering this contention, the court held that the plaintiff went further than merely making out a prima facie case under the provisions and showed that the damage was due to mechanical failure and nothing else. The evidence established this fact and it was unnecessary for the company to offer evidence on the question of the cause of damage.

Coney Heads Coast Club

Al Coney, Aetna Casualty, was elected president of the Automobile Insurance Club of the Pacific at the annual meeting at San Francisco. Vice-president is James Heinz of Cravens, Dargan & Co.; secretary, George N. Burdick, London & Lancashire.

Fireman's Fund Western Office at 75-Year Mark

The western department of Fireman's Fund is celebrating its 75th anniversary. It was established July 1, 1872, when the company was nine years old. A profusely illustrated 20 page booklet has been gotten out for the occasion.



E. D. Lawson

The company became known in the east in 1868 when D. J. Staples, president, organized the firm of Keels, Bowers & Boughton, New York, to supervise all fire business east of the Rocky Mountains. The firm felt that it would be necessary to have a central office at Chicago in order to render greater service and be closer to agents. Therefore, it appointed Thomas S. Chard manager.

Mr. Chard was successful in getting business there and when the great fire of 1871 occurred had considerable liability. It was stated at the time that the Chicago fire nearly put it out of business. Its claims amounted to \$529,364. Its capital at that time was \$500,000.

Fireman's Fund met all its obligations, paying its claims in full within 60 days. This catastrophe revealed the sturdy character of the company and its determination to forge ahead and not sidestep any obligations. It seems that 144 business firms of Chicago signed a document expressing admiration for Fireman's Fund for its tenacity and its courage.

Chard Appointed Manager

The company saw the opportunity of enlarging its scope and engaging more fruitfully in business with a full fledged department at Chicago, and Mr. Chard was appointed manager. He at that time was 27 years of age, and the office was at 177 Madison street. There were four employees. Mr. Chard had been traveling the west appointing agents and he continued to go on trips and hunt what he deemed were good agents.

At the end of 1872 the company had 175 agents in the department. These agents produced \$80,000 the second half of 1872. Owing to the increase in business the company moved its department to 49 La Salle street in 1873. Fireman's Fund has agencies throughout the central west now that are direct descendants of those that were appointed by Mr. Chard.

Mr. Chard was a man of culture and had quite a flair for writing. Therefore, he took opportunities for getting circulars in the hands of agents and in other ways he told in a graphic and interesting way what the company was doing. Mr. Chard originated the house organ for the department called "The Golden Gate." It ran for about 10 years, going to all agents in the territory. "Fireman's Fund Record," house organ and "The Golden Gate" were merged in 1894.

Mr. Chard was an excellent contributor to the "Fireman's Fund Record" and his writings attracted much attention, not only in the Fireman's Fund family but outside. His doctrine was very wholesome and his articles regarding sound insurance were considered of especial interest.

Hazardous Conditions in Chicago

The fire situation in Chicago had been deemed hazardous. In 1874 there were many steps upward and its condition was greatly improved. Fireman's Fund concluded to watch all favorable developments and to seek business where the hazards were the least. It also wished to reduce its expenses and the firm in New York was consolidated with the Chicago department under Mr.

Chard's direction. The company moved its office to 158 La Salle street and combined its operation and was known for a time as the eastern department. This brought the whole territory east of the Rockies with the exception of the southern states in charge of the Chicago department. In order to give more effective service it was seen that the territory under the Chicago management was too broad.

Therefore, an eastern department was established at Boston in 1885. Col. C. W. Kellogg was manager.

Department Changes Name

The Fireman's Fund Chicago department was known as the central department until 1918 when it was changed to the western department.

Prior to 1890 Fireman's Fund made no effort to secure windstorm insurance. The hazard was regarded as too great. However in 1890 the company decided that tornado insurance might be profitable and it made a very strong canvas for business. At the close of 1899 the directors found that Mr. Chard was

rounding out 30 years of service. It was voted, upon his request, to relieve him of his duties. At his request, the company relieved him of responsibilities in February, 1900.

Mr. Chard, aside from his literary ability, was highly regarded in social circles, he was fond of travel and was a man of true refinement. It was known that his retirement would not mean his burial. He would have much to attract him in his later years.

W. J. Dutton was the president entering the new century. Mr. Chard had given the department a distinctive personality. He was always inspiring, encouraging and stimulating. He sought good business and he knew good business when he saw it. The whole atmosphere of the department was one of keen activity.

The company had a real problem in attempting to secure a successor to Mr. Chard. Vice-president Faymonville, with F. H. McElhone, who had been state agent for 11 years in Arkansas, Texas, Louisiana reporting to the head office from Dallas, for several months until May, 1900, conducted the central department, operating as Faymonville & McElhone.

John Marshall, Jr., who was western manager of Royal Exchange, was secured to join Mr. McElhone in management of the western department, the

firm name being Marshall & McElhone. Mr. Marshall was a very popular man, enjoyed a wide acquaintance and the partnership proved decidedly successful. Mr. Faymonville returned then to the home office. The western department office then had 35 employees. It was necessary to move to larger quarters and located at 171 La Salle street. In 1905 Fireman's Fund had assets of \$7,204,436.

San Francisco Disaster

On April 18, 1906, the great San Francisco earthquake and fire started. It was of huge dimensions and for some time little information could be gotten at the western department as to how the Fireman's Fund was affected. Telegraphic communications from San Francisco was impossible. Lines were all down, property was burned and no information of value could be gotten as to how great was the disaster. The agents began to overwhelm the western department for news. Marshall & McElhone had received no direct official news. It was stated that no company had ever survived a fire disaster where its home city was destroyed. Naturally there were many rumors. Marshall & McElhone were anxious, and they lived in a state of silence so far as any information was concerned. The western department kept on just as if no catastrophe had occurred.

(CONTINUED ON PAGE 24)



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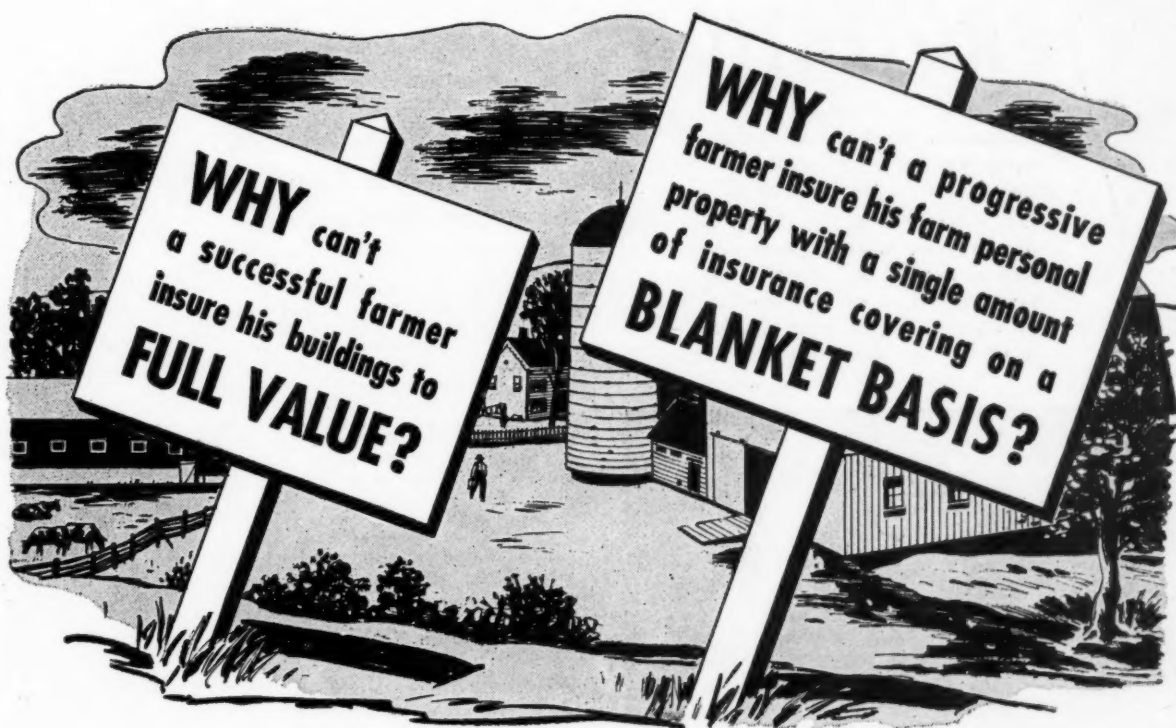
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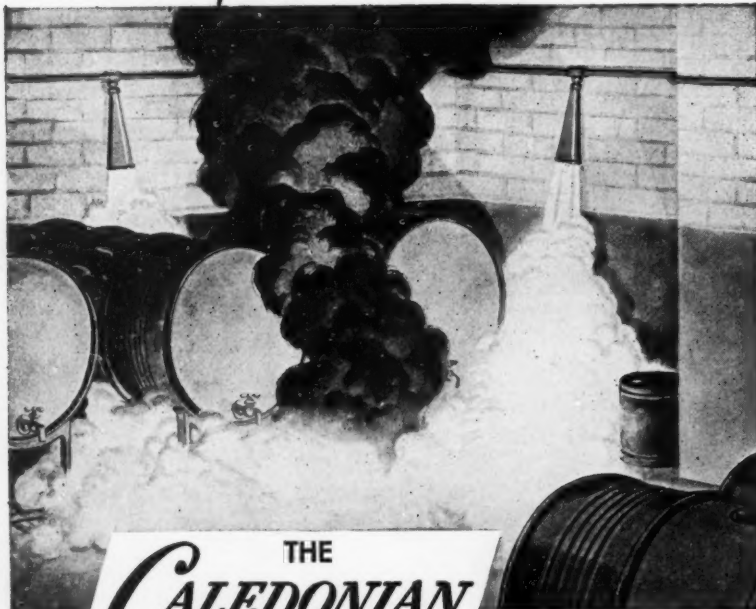


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It is our pleasure to announce that Mr. Paul L. Hughes formerly Accountant of the Atlantic Mutual Insurance Company has joined our Company as Assistant Secretary. Mr. Hughes will have complete charge in the preparation and reproduction of Annual Insurance Statements.

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Polygraphic Names Hughes to Handle Statement Printing

NEW YORK—Paul L. Hughes, accountant of Atlantic Mutual, has resigned to join the Polygraphic Co., New York City, as assistant secretary. He will have complete charge of the preparation and reproduction of insurance company annual statements. Polygraphic is the leading lithographer in this field.

Mr. Hughes was for 13 years with American as traveling auditor and supervisor of the general accounting department before going with Atlantic Mutual. He succeeds Everett Stryker, now with War Assets Administration.

Consider Ways to Reflect Catastrophe Hazard of E. C.

There continues to be discussion among company officials about the proper way to reflect the catastrophe exposure of extended coverage. The Los Angeles and Chicago explosions, and the Texas City disaster indicated some of the potential catastrophe hazard involved in the line.

The spread of extended coverage writings brings the subject into focus as a problem that calls for immediate solution. From 1945 to 1946 the increase in premiums was from \$98 million to \$153 million. One way to do this that has been suggested is to increase the base taken for rating purposes from five to 10 years. This would level out the peaks of catastrophe losses a good deal better. The last 10 years, for example, would catch the 1938 and the 1944 hurricanes along the east coast, and the three big explosions of 1947.

There is some resistance to the broadening of the extended coverage endorsement by including vandalism and malicious mischief for all properties. Also, there has been some thought given to the use of a mandatory \$100 deductible clause to apply to all perils in the endorsement.

Presents Plan to Avert Harbor Disasters in N. J.

Faced with the prospect of a catastrophe that might easily exceed the Texas City disaster in general havoc and insurance losses, mayors of New Jersey's waterfront cities have been urged to institute a program of precautionary measures by H. C. Harper, the state labor commissioner.

These ports handle ammonium nitrate and other hazardous cargoes. Under the recommended plan, notification would be given when a "hazardous" cargo is due to arrive in port. The cargo ship and nearby loading and storage facilities would be inspected by the local fire department. Adequate fire-fighting facilities would be made available and inspection would be continued by uniform firemen until the ship left port.

Pa. Relisting Fee

Under a newly enacted law in Pennsylvania, a fee of \$5 is established for each relisting for written examination of an applicant for license as agent, broker, excess broker, public adjuster or public adjuster's solicitor, who has failed to appear or to pass on a previous listing. In a recent edition it was incorrectly stated that the fee for such relisting was \$100. Commissioner Malone has issued regulations in connection with this law stating that all requests for withdrawal must be filed not later than Friday preceding the day of the examination. Notices received the day of the examination or later, will not be accepted and the applicant will be noted as a "failure to appear." The department will charge all fees for relisting to the sponsoring insurer. Agents making a remittance for such fees must do so through the company.

N.A.I.A. Committee Prepares Local Boards Manual

National Assn. of Insurance Agents has published a manual on the organization and operation of local boards. Spade work was performed by the local board manual revision committee, Alfonso Johnson, Dallas, chairman. This book is based on national surveys which revealed a need for stimulation of interest. Instruction is offered in public service work, in accident and fire prevention programs and bank and auto plans. The purpose of the local board and its place in the agency system is described.



Alfonso Johnson

Members of the committee are Linden F. Braud, New Orleans; Louis Hawes, Rochester, N. Y.; Irwin Mesher, Seattle; Joseph F. Schweer, Cincinnati.

Suggest Uniform Filing on Incurred-Earned Basis

Since the fire business is now figuring out a new classification basis, it would be appropriate, some believe, to establish uniform practices in relating loss experience to volume, frequency, and either earned or written premiums, together with consideration for expenses in adjusting losses and the expense incurred to reduce losses. The latter, the expense of loss prevention engineering in its broadest sense, must come out of the premium dollar and should not be disregarded in filing for class rate adjustments.

It is incongruous that companies file statements on a written and paid basis with state insurance departments and then insist that the real measure of trends and take home pay is the incurred to earned basis. The latter base, it has been suggested, should be adopted uniformly for rate filing. Discontinuance of filing experience figures on any other basis would avoid confusion.

Row Over School Cover

EAST ST. LOUIS, ILL.—The East St. Louis school board got into a heated row in regard to the split of \$35,000 of insurance premiums for \$1,266,000 in new and additional fire insurance and extended coverage on school district buildings and \$459,700 on contents.

The business was divided among 15 East St. Louis agents and brokers. Minority members of the board said they were not consulted about the placing of the business, and one member, R. T. Beebe, charged he had been "double-crossed" since a gentleman's agreement to talk over the insurance business division had not been kept.

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Robinson Retires, Kelley Heads Hartford Fire Inland Marine Dept.

George A. Robinson retired as assistant secretary of Hartford Fire on July 1, and has been succeeded as head of the inland marine department in the east by E. M. Kelley, assistant manager. Mr. Kelley will be assisted by Paul A. Graywacz, superintendent.

Mr. Robinson has been with Hartford since 1924 when he became special agent for New England in the automo-

bile and inland marine department. A native of Buffalo, N. Y., he took his first insurance job in 1898 with the local agency of Smith, Davis & Co. there. After association with several other agencies, in 1907 he joined Buffalo Assn. of Fire Underwriters as rating engineer. He went with Buffalo two years later in charge of fire underwriting and the loss department.

Mr. Robinson was appointed superintendent in charge of inland marine underwriting in the eastern department four years after joining Hartford and in 1940 he was elected assistant secretary.

He has been on the executive committee of Inland Marine Underwriters Assn. and a lecturer at the Insurance Institute of Hartford and the Hartford College of Insurance, where he served on the advisory board.

Mr. Kelley comes from Rocky Hill, Conn., and got his first job with Hartford Accident. He joined Aetna Fire in the marine department and was transferred to Chicago. He became marine special agent at Columbus, Ohio, in 1930 and opened the service office there five years later. He went with Hartford in 1946.

Offer Mexican Facilities

What is claimed to be the first permanent independent adjusting firm operating exclusively for insurers with representatives throughout Mexico has been organized at Mexico City under a title that in English means Adjusters & Surveyors, Ltd. It is located at 31 Calle de Balderas. The business was formerly handled individually by A. Escalante Bates and a Mr. Aguero.

Mr. Bates is a U. S. citizen. Since the war he has been Mexico manager for Dargan & Co., the adjusting firm. He started in the business as a Lloyds inspector at Merida, Mex., where his family represented Royal, Atlas, Union and Royal Exchange for more than 40 years. He later became Latin American manager of Sterling Offices. During the war he served in the air force.

Mr. Aguero until recently was supervising claim service matters for Dargan & Co. He is a Spaniard and was chief adjuster for General of Italy and several Spanish insurers at Madrid. He was in the Spanish revolution and was two years in a concentration camp at France where he requested admission into Mexico. He has been operating there as an independent adjuster.

The charges of Aguero & Bates will be in Mexican pesos.

Pay U. & O. Loss in Full

THE NATIONAL UNDERWRITER was mistaken in reporting that the La Salle hotel, Chicago, which has now reopened for business following the fire about a year ago, was a coinsurer insofar as use and occupancy is concerned. As a matter of fact, the hotel collected its entire U. & O. loss of about \$1,177,000 as it had plenty of U. & O. cover. The U. & O. was handled by Fred S. James & Co.

The La Salle was a substantial coinsurer insofar as the building and contents loss is concerned. The actual building loss exceeded \$700,000 but due to the operation of the coinsurance clause, it collected less than \$500,000.

Herndon to Tour Coast

To acquaint agents in the far west states with the activities of the Washington office of N.A.I.A., Maurice Herndon, assistant representative there, will tour the west coast states in September.

His tentative northwest itinerary includes: Sept. 2, Boise; Sept. 3, Pendleton; Sept. 4, Walla Walla and Spokane; Sept. 5, Lewiston; Sept. 8, Seattle; Sept. 9, Tacoma; Sept. 10, Portland; Sept. 11, Salem; Sept. 12, Eugene.

Following his northwest tour he will address a number of local agents' groups in California and Arizona.

Prof. Finnegan, Former "Fire Protec" Mainstay, Dies

J. B. Finnegan, who retired just a year ago as head of the department of

fire protection engineering at Illinois Institute of Technology, Chicago, died at his home at that city, July 4. For several months following his retirement he had acted as editor of the "Engineer", Illinois Institute publication, and had also operated as an engineering consultant. However, he had been suffering from a heart ailment for the past several months and had been hospitalized.

Mr. Finnegan's age was 67. He was born at Stoneham, Mass., in 1880. He graduated from Massachusetts Institute of Technology in 1904. It was in that year, following the Baltimore conflagration that the National Board's committee of 20 was searching for engineers to make investigations that eventually led to the present standard rating schedule. That committee made its wants known to various technical schools and Mr. Finnegan was referred to New York Fire Insurance Exchange by M.I.T. He was employed as an inspector and rater.

In 1903 the fire protection engineering course had been started at Armour Institute of Technology in cooperation with Underwriters Laboratories. Fitzhugh Taylor was operating the department on a one-man basis. He needed an assistant, and Mr. Finnegan was employed in September, 1905, having been referred by E. R. Hardy, who was then assistant manager of New York Fire Insurance Exchange. Mr. Finnegan was also connected directly with Underwriters Laboratories and continued to be so connected until 1932. In 1907 he was made associate professor of the F.P.E. course, and in 1916 became head of the department.

At the banquet that was given for Professor Finnegan in 1945 by "fire protec" alumni it was brought out that about 550 men throughout the years had been enrolled in the department during his association with it, and that from 80 to 85% of that number were still in some branch of the fire insurance business.

A few years ago Armour and Illinois Institute were merged.

Commencing in 1913 the old Fire Underwriters Assn. of the Northwest financed one scholarship a year in the F.P.E. course. Following the first war, in 1920, the scholarship plan was much enlarged and was placed under the jurisdiction of Western Actuarial Bureau. The stock fire companies established 25 scholarships in the department each year.

A son, J. B. Finnegan, Jr., is special agent for American with headquarters at Omaha.

Southern Fire Enters Cal.

Southern Fire has been licensed in California. Ward S. Jackson, Pacific Coast manager for Crum & Forster, is named general agent.

It has been admitted to full membership in the Pacific Board and Pacific Fire Rating Bureau.

S. D. Rates Are Up

New insurance rates for automobile physical damage coverage became effective in South Dakota July 7. The increase is about 6% on new cars and 36% on old vehicles, the insurance department announces.



J. B. Finnegan



American Equitable Assurance Company of New York
Organized 1918

Globe & Republic Insurance Company of America
Established 1862

Merchants and Manufacturers Insurance Company of New York
Organized 1849

New York Fire Insurance Company
Incorporated 1832



Corroon & Reynolds, Inc.

MANAGER

92 William Street, New York

Losses paid exceed Three Hundred Fifty Million Dollars

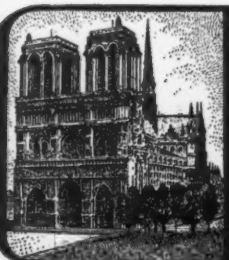
THINGS THAT ENDURE...Through TIME

NOTRE DAME—Famous Cathedral of France built on the small island of "La Cite". This beautiful edifice was started in the year 1163 and completed in the thirteenth century. It has been a haven of worship for more than 700 years.

The Northern Assurance was organized in Aberdeen, Scotland in 1836 as an Agency Company. It has remained so all-ways.

THE NORTHERN ASSURANCE CO. LTD.

FIRE AND ALLIED LINES, AUTOMOBILE INLAND MARINE—REPORTING FORM—FLOATER CONTRACTS
NEW YORK • CHICAGO • SAN FRANCISCO



Const H. G. M.

Henri G. M. Reimann, who retired in 1940, has been succeeded by Mr. Ibse.

and after a Scandinavian company, in 1931 in Copenhagen of the man when he was and German companies and the business tary to the the head of 1939 went first branch where he is now settling his return with

Offer Pe for Thos Increase

TORONTO housecleaning Ontario at higher pre- strictions— demand for have another into the rir writers Co change, cla

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Constitution Elects H. G. Ibsen President

Henri G. Ibsen, a director of Constitution Reinsurance since its organization in 1940, has been elected president, succeeding the late James Y. Milne.

Mr. Ibsen was born in Copenhagen, and after attending school there, joined Skandinavisk Lloyd, a reinsurance company, in 1925. In 1929 he joined Baltica in Copenhagen, where he was in charge of the marine department until 1935, when he was sent to England, France and Germany to work with various companies and brokerage firms in studying the business. In 1938 he became secretary to the management of Baltica at the head office in Copenhagen, and in 1939 went to London to open Baltica's first branch office in Great Britain, where he remained throughout the war.

He is now in this country, but is planning to return to London very shortly to settle his affairs there, and will then return with Mrs. Ibsen and their son.

Offer Perils Form in Canada for Those That Shy from Increased Rates for P.P.F.

TORONTO—In the event that the housecleaning of the P.P.F. situation in Ontario and Quebec—resulting in higher premium rates and tighter restrictions—leads to a decline in the demand for the contract, the companies have another type of policy to throw into the ring. Canadian Inland Underwriters Conference, sponsors of the change, class this a perils policy.

The new policy embraces solely fire and supplemental coverage, burglary of residence or summer cottage or while the insured may be on the road. There is no deductible clause, but the premium rates are about the same as the old P.P.F. schedule.

In the dwelling, the new policy provides coverage against the risks of fire, robbery or burglary, water escape, smoke damage, wind, hail, explosion, riot or impact by aircraft or vehicles. The same coverage is provided at a summer residence or cottage excepting that of water escape.

There is 10% coverage with a maximum of \$500 on property temporarily removed from the principal residence.

One stipulation is that the insured provide an inventory of key household material, and insurance up to 80% of value is considered a must.

F. E. Landis to Second Spot in Neb. Department

Frank E. Landis, formerly departmental attorney, has been appointed assistant director of insurance for Nebraska. He succeeds Donald Hodder who has gone with Woodmen Accident.

Mr. Landis will continue to handle some of the legal tasks, along with assuming new administrative duties. The remaining legal duties will be assumed by Frederick Stiner of Hastings.

Mr. Landis took his law training at University of Nebraska. He has been attorney for the department since 1941 except for navy service.

Mr. Stiner, after two years of law

school, served in the army and then completed his law training at University of Nebraska.

Brokers Confer with Dineen on Alleged Market Shortage

NEW YORK—Factual information should soon be available as to how much ground there is for complaints that adequate insurance capacity for the legitimate insurance needs of business and individuals is lacking. At its own request the Brokers Assn. joint council of New York City held a conference with Superintendent Dineen of New

York on this subject. Evidently he was not entirely impressed by the volume of cases the brokers were able to cite and indicated a wish for additional facts and figures. The council is now in process of obtaining these from its members.

There is still considerable difference of opinion as to how much difficulty there is in placing business. Some feel that the current situation is merely enabling the companies to do what they would always have liked to do: take the good risks and leave the poor ones alone. They no longer have to take bad business for fear of losing the producer's good business. The brokers' survey should throw some light on whether

desirable risks are going begging through lack of market capacity or whether the complaints are largely due to inability to place risks for which no rate would be high enough if they were deprived of the support of the producer's good business.

Supt. Gwaltney to Speak

Supt. Gwaltney of Alabama will address the Alabama Assn. of Insurance Agents convention at Mobile Sept. 11-13.

Harold B. Pratt, engineer for Charles W. Sexton Co., was married to Mrs. Eddy Whitcomb at Portland, Ore.



FOUNDED ON FAITH

The Western Department of Fireman's Fund marks its 75th Anniversary

On October 8, 1871, Mrs. O'Leary's cow kicked over a lantern that started the great Chicago conflagration and incidentally inspired the establishment of the Western Department of Fireman's Fund Insurance Company. Then only 8 years old, Fireman's Fund demonstrated its Strength, Permanence and Stability by promptly paying over half a million dollars in claims, an amount that even exceeded its capital. With losses so severe that 149 insurance companies failed, were suspended or withdrew to their home states, the Fireman's Fund

achievement stood out like a beacon light. A testimonial containing 144 signatures was presented to the Company by business firms in appreciation of Fireman's Fund paying all its losses in full. Fireman's Fund responded by opening its Western Department in Chicago on July 1, 1872, a Department founded on faith in the face of ruin and destruction. With that faith more than vindicated through the years, Fireman's Fund salutes its Western Department on the occasion of its 75th Anniversary.



DEPENDABLE INSURANCE SINCE 1863

Fire, Automobile, Marine, Casualty, Fidelity, Surety
FIREMAN'S FUND GROUP

FIREMAN'S FUND INSURANCE COMPANY
HOME FIRE & MARINE
WESTERN NATIONAL
INSURANCE COMPANY

FIREMAN'S FUND
INSURANCE COMPANY
WESTERN NATIONAL
INSURANCE COMPANY

SAN FRANCISCO NEW YORK CHICAGO BOSTON ATLANTA LOS ANGELES

General Agency in Michigan desires additional fire insurance capacity to service a large well located agency plant outside of Detroit. Substantial volume of desirable business is guaranteed. Address M-54, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

PL 15 Legislation to Date Summarized

(CONTINUED FROM PAGE 1)

mittee, after two years' study, recommended these four model bills:

1. Casualty and surety rate regulation bill.

2. Fire, marine, and inland marine rate regulatory bill.

3. Bill relating to unfair methods of competition and unfair and deceptive practices in the business of insurance. This prohibits any unfair method of competition or unfair or deceptive act or practice in the business of insurance in about the same language as used in the Federal Trade Commission act. But, unlike the act, it lists in section 4 certain unfair acts and practices (such as false advertising, defamation of competitors, rebates, etc.) and as to them empowers the insurance commissioner, after prescribed notice and hearings, to issue orders to cease and desist from the violation found. As to any other acts or practices which are not specifically defined as unfair in section 4 but which the commissioner finds, after hearing, to be unfair or deceptive, he is empowered to report to the attorney-general who can institute court proceedings to enjoin and restrain their continuance.

4. Accident and health insurance bill:

This requires the filing of accident and health policy forms, applications, riders, endorsements, classification of risks and premium rates with the commissioner of insurance, provides that no policy, application, rider, or endorsement forms may be issued until 30 days after filing unless previously approved, and provides for the disapproval, or withdrawal of approval, by the commissioner of such forms containing benefits unreasonable in relation to premium or if they contain provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation.

The all-industry committee also agreed that it should include as part of its legislative program statutory language to permit specifically the payments of commission to brokers, for use in states not already having such provisions in their existing statutes.

The following table shows in detail the fate of the numerous bills introduced in the state legislatures and in Congress in 1947. Those enacted are in bold face. Those that failed are in brackets. Measures that substantially follow the all-industry-N.A.I.C. models are indicated by an asterisk.

| States | Fair Trade Practices | Fire | Rating Combined Fire & Casualty | Casualty | Other |
|--------------------------------|------------------------|-----------------|--|--------------------------------|---|
| Alaska | | | *H.4 | | [S.76 (Anti-rebate)] |
| Ariz. | | [*S.29 (H.233)] | | [*S.28 (H.234)] | |
| Ark. | | S.73 | | S.74 | |
| | | *H.76 | | *S.51 | |
| Calif. | | | S.1572 | | |
| | | | *H.729 | | H.868 (S.475) (Cartwright Act) |
| | | | *S.654 | | H.2386 (Cartwright Act) |
| | | | S.726 | | H.867 (Cartwright Act) |
| | | | H.619 | | |
| | | | S.640 | | |
| Colo. [S.348] | | *S.68 | | [H.731] | |
| | | [H.729] | | *S.67 | |
| | | H.161 | | | |
| Conn. | | *H.668 | | H.669 | |
| Dela. [*H.372] | | | *S.179 | | |
| | | | S.93 | | |
| D. C. | | | H.2954 | | |
| | | | H.3384 | | |
| Fla. *H.163 | | H.229 | | H.227 (Amendments to 1945 law) | H.228 (Rating Org.) |
| | | | | | H.113 (A. & H.) |
| Georgia .. | | *H.244 | | *H.243 | |
| Hawaii ... | | *S.237 | | *H.399 | |
| Idaho | | *S.137 | [S.139] | | S.136 (Rating Org.) |
| Illinois ... | | *S.251 (H.411) | | *S.262 (H.410) | S.253 (H.412) (Clayton) |
| | | | | | *H.121 (A. & H.) |
| Indiana .. *H.180 | | H.126 | | H.142 | H.13 (Rating Org.) |
| | | [*H.272] | | [*H.273] | |
| Iowa | | *S.178 | | *S.179 | |
| Kansas ... | | *S.172 | | [*S.196] | |
| | | | | [H.344] | |
| Maine | | H.64 | | H.65 | |
| | | [*S.217] | | [*S.216] | |
| Md. *H.451 | | | | | *H.448 (A. & H. anti-rebate and anti-disc.) |
| | | | | | *H.450 (A. & H.) |
| | | | | | *S.469 (A. & H.) |
| Mass. H.2240 (supercedes) | H.2220 | | H.2221 (supercedes H.1085, H.1087, H.1331) | | S.471 (A. & H. anti-disc.) |
| | S.474, H.1084 | | | | S.472 (Robinson-Patman) |
| | *S.475, H.1327 | | | | S.473 |
| | *S.476, S.610 | S.610 | S.610 | *H.1090 | H.1088 (Clayton) |
| | | | | H.2222 | S.610 |
| | | | | S.610 | *S.166 (A. & H.) |
| Mich. *S.165 | *S.164 | | | *S.163 | |
| Minn. *H.711 | *H.246 | | | *H.245 (S.183) | *H.1383 (S.1245) (A. & H.) |
| | (S.578) | | | | |
| Mo. | S.186 to 1948 Session | | | *S.139 to 1948 session | |
| | | | | S.144 | |
| Mont. | | | [*H.186] | | [S.J.M.17 (To ask Congress to extend P.L. 15 moratorium for 2 years)] |
| | | | H.252 | | *L.B.409 (A. & H.) |
| Neb. *L.B.265 | *L.B.264 | | [L.B.441] | *L.B.263 | |
| Nev. | | | *S.5 | | |
| N. H. *H.293 | | | *H.294 (to Gov.) | *H.314 | H.292 (Rating Org.) (to Gov.) |
| | | | | | *H.300 (A. & H.) |
| | | | | | H.299 (Rob.-Pat.) |
| N. J. S277 | *S.236 (inland marine) | | | | |
| N. Mex. ... *S.101 | *S.104 | | [H.194] | *S.105 | *S.102 (A. & H.) |
| | | | | | S.103 (State Ins. Board) |
| N. Y. [*H.1644] | | | [H.1778 (S.1578)] | | S.703 |
| | | | [S.2386] | | S.707 (A. & H.) |
| N. C. | | | | | H.994 (Rating Org.) |
| | | | | | H.425 |
| N. D. | *H.292 | | | *H.333 | S.48 (anti-rebate) |
| Ohio [*H.432] | *S.144 (H.297) | | | S.149 | H.366 (Clayton) |
| | | | | H.401 | S.151 (H.266) (A. & H.) (to Gov.) |
| | | | | *S.143 (H.298) | S.234 (H.367) |
| | | | | | S.236 (Clayton) |
| | | | | | H.410 (A. & H.) |
| Okla. | [*H.180] | | [*H.181] | | |
| | | | [H.266] | | |
| Ore. [S.294] | *S.196 | | *S.197 | | S.7 (anti-compact) |
| Pa. H.910 | H.888 | | H.887 | | H.890 (Rating Org.) |
| | H.897 | | S.457 | | H.895 (Robinson-Patman) |
| | | | | | H.908 (Clayton) |
| R. I. [*H.1006] | [S.252 (H.742)] | | [*H.646 (S.88)] | | |
| | [*S.164 (H.815)] | | [S.75 (H.613)] | | |
| | | | [H.932] | | |
| S. C. *S.442 | *S.442 (H.531) | | *S.442 (H.531) | | S.442 (H.531) (A. & H.) (Code) |
| | (H.531) (Code) | | (Code) | | |
| S. D. *H.118 | *H.114 | | | *H.116 | |
| Tenn. *S.618 | | | [H.673 (S.504)] | | |
| | (H.819) | | [S.183] | | |
| Texas | | | | [*S.213] | [H.319 (A. & H.)] |
| Utah S.34 (Code) | | S.34 (Code) | | | |
| Vt. | | [H.160] | S.60 | | *H.247 (A. & H.) |
| Wash. S.47 (Code) | | S.47 (Code) | | | S.47 (Code) (A. & H.) |
| W. Va. | *S.162 (inland marine) | | [S.149] | | |
| | | | [*S.122 (H.231)] | | |
| Wisc. *H.264 (to Gov.) | | | [S.72 (H.94)] | | *H.262 (A. & H.) |
| | | | *S.69 (to Gov.) | | |
| Wyo. | *S.48 | | | *S.49 | |

Highlights in Insurance History

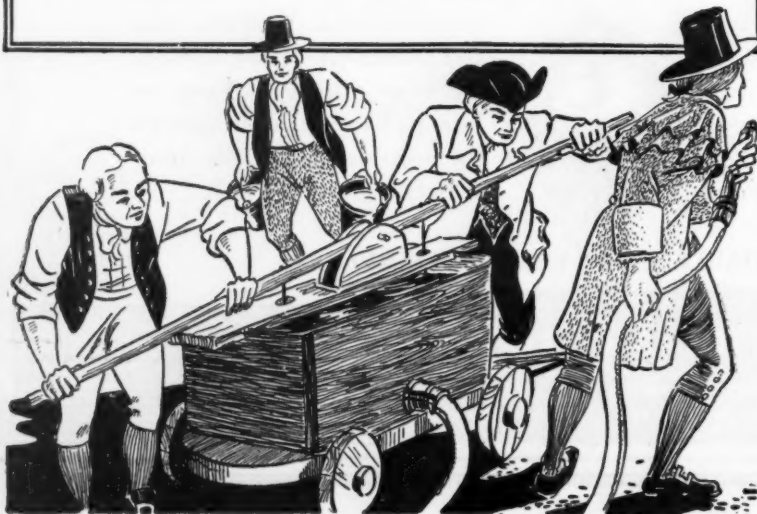
BIRTH OF A GREAT ORGANIZATION

While New York was still New Netherland, its first fire company was organized. It was composed of a night patrol of 8 men, its apparatus consisting of 250 leather fire buckets, 12 ladders, and a few hooks and poles brought from Holland. In 1731 a room was fitted up in City Hall, and in it were kept two hand fire-engines, imported from England. Five years later the first engine-house was built on Broad Street, and 10 lbs. a year was paid to Jacobus Tink to keep the apparatus in order. In 1737 a regular Fire Department of 25 men was organized. From this simple beginning sprang New York's present great fire department which for so long has exchanged mutual benefits with the city's fire insurance industry.

The National Union and Birmingham Fire Insurance Companies have been constantly aware of the value of careful attention to small matters—so many of them grow into big affairs later on.

NATIONAL UNION and BIRMINGHAM FIRE INSURANCE COMPANIES

PITTSBURGH PENNSYLVANIA



The National Union Fire Insurance Co. of New York, which Union Vice-president attended a school in six years, Fidelity & Norwich was appointed New York superintendent, in superintendency of been generally committee on directors' consideration assistant

The Insurance at the anti-ling: President Liverpool, zen, New committee New York Wortman Reelect, Ed responding America Healy, P. Tunnard, Helen president ship. A was president tiring pro

Staff A has been York department Mr. B. adjuster with Mer was appointed Island, a the home metropol

Gordon elected Civic Ch

NEW YORK

S. E. SMALL JOINS N. Y. BOARD

The New York Board has appointed Stanton E. Small, general adjuster Norwich Union, as assistant to Executive Vice-president E. C. Niver. Mr. Small attended University of Maine and graduated from Boston University law school in 1923. He was employed for six years in the claims department of Fidelity & Casualty. In 1929 he joined Norwich Union Indemnity, in 1930 he was appointed superintendent of the New York metropolitan claims department, in 1933 he became country-wide superintendent of claims, in 1939 attorney of record, and since 1940 he has been general adjuster of fire and casualty companies.

During recent years the volume of business handled by the New York Board has substantially increased in all departments, particularly in the committee on losses and adjustments. The directors have for some time been giving consideration to the employment of an assistant to Mr. Niver.

LEONE MARTIN HEADS WOMEN

The Insurance Women of New York at the annual meeting elected the following: President, Leone E. Martin, Royal-Liverpool; vice-president, Lydia A. Lenz, Northern Assurance; executive committee members, Ruth M. Pierdon, New York Casualty, and Anna M. Wortman, National Liberty.

Re-elected were: Recording secretary, Edna Morris, America Fore; corresponding secretary, Evelyn F. Decker, America Fore; treasurer, Marguerite M. Healy, Pacific Fire; historian, Alice E. Tunnard, North America.

Helen M. Garvin, a founder and first president, was elected to life membership. A traveling bag and jewel case was presented to Agnes Loughheed, retiring president.

BERLENBACH NAMED LOSS HEAD

Staff Adjuster Joseph F. Berlenbach has been appointed manager of the New York metropolitan and suburban loss department of Home.

Mr. Berlenbach joined Home as an adjuster in 1928, having been previously with Merchants & Shippers. In 1936 he was appointed staff adjuster at Long Island, and in 1946 was transferred to the home office as a supervisor in the metropolitan and suburban divisions.

Gordon Gambill, local agent, has been elected president of the Chattanooga Civic Chorus.

N.A.I.A. Convention Period Shortened to Three Days

(CONTINUED FROM PAGE 1)

vention hall and Monte Carlo party at Haddon Hall, Wednesday evening, will be the finale of the meeting.

Those planning to attend are urged to send their applications for accommodations and advance registration fees as soon as possible to the N.A.I.A. hotel committee, 16 Central Pier, Atlantic City. Single room rates are from \$4 to \$10, and twin-bedded or double room

rates from \$6 to \$18. Registration fees are \$10, with a \$5 registration fee for guest ladies.

The New Jersey association expects to hold an executive session and election of officers at 2 p. m. Oct. 13. Most likely there will be a cocktail party followed by the banquet and installation of officers. Guy T. Warfield, Jr., N.A.I.A. president, will install the new president.

Richards Names Committees

Philip D. Richards, San Francisco, new president of American Assn. of In-

surance General Agents, has completed his committee appointments. The executive committee consists of Stuart H. Richardson, New York, chairman; Frank H. Duff, Dallas; F. J. Pelletier, San Francisco, and S. Lewis Johnson, Charleston, S. C. Chairman of the conference committee is Mr. Duff; heading the membership committee is Mr. Pelletier. Mr. Johnson is chairman of the memorial committee and J. K. Shepherd, Little Rock, continues as national councillor.

General of Texas has been licensed to write fire insurance in California.

PROPERTY INSURANCE

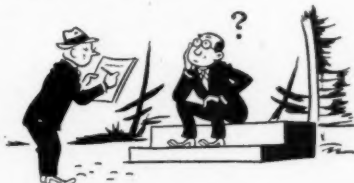
New rainy-night family game.

Most people don't know what or how much they own. If you think you're an exception, try this some rainy night.

Have everybody gather round the dining room table with pencils and paper for all. Divide up the rooms in the house according to who knows which room best. The man of the house might take the living room, his bedroom and his cellar workshop. His lady should take her room, the halls, the kitchen. To Sonny would fall his room and the garage, while Sister can take her room and the playroom.

Have each one list everything he or she can remember in the rooms so assigned — without going to look. After everyone's done and fully satisfied that every single article is listed, troop through the house and see what's left out. Every correct listing gets a plus mark and every omission a black mark. List on a separate sheet the omitted items. The winner can have the car tomorrow night.

Except father, because he'll have work to do. By now he realizes what a job it would be to make such a list as this if the old home burned down, blew away, or burglars had a field day some Sunday night. He suddenly realizes, especially from his own list, that he'd never be able to remember more than half what he owns, let alone put a value on it.



So while the winner of the game is gallivanting in the family Super-Twelve, father combines the lists and for the first time has an inventory of his things — something he wouldn't dream of being without in business.

A competent insurance agent will be glad to help you prepare such a household inventory. He has a supply of booklets with a page for each room and columns for showing cost and present value. If you want to be certain the agent is able and helpful, call in the representative in your community of one of these companies: the Security Insurance Company of New Haven, The East & West Insurance Company of New Haven, the New Haven Underwriters, The Connecticut Indemnity Company.



SECURITY

Insurance Companies

Home Office: New Haven, Connecticut

IT PAYS TO HAVE CLIENTS WHO PLAY GAMES

If your clients would play the game suggested in this column — which appears in *Newsweek*, July 21 — most of them would call on you for increased personal property and contents coverage. In spite of the fact that *Newsweek* is read by over two million Americans, we don't really expect that this little game will be played in many thousands of homes. But we are sure that the message it carries will get over to thousands of insureds the fact that they don't have enough personal property coverage.

Every month thousands of insureds read these columns in the news-magazines. This helps insurance agents everywhere because these columns tell, simply and clearly, some of the things that you as an agent explain to clients over and over again. They are doubly helpful to the agents of our companies. For these selected agents get copies of the column, in folder form with their imprint, to send to clients and prospects. Our agents are in the position of each month sending out *their own* news-magazine column — a prestige-builder if ever there was one!

Security Insurance Companies

HOME OFFICE: NEW HAVEN, CONNECTICUT

Security Insurance Company of New Haven
The East & West Insurance Company
of New Haven
New Haven Underwriters
The Connecticut Indemnity Company



1841 — "SECURITY." THE NATION'S WATCHWORD — 1947

PROTECTION ASSURED



THE
MANHATTAN
FIRE AND MARINE
INSURANCE COMPANY

99 JOHN STREET, NEW YORK 7, N. Y.

CHASE CONOVER & CO.

Auditors & Accountants

135 So. La Salle Street
Chicago

Telephone Franklin 3868

WANT ADS

FIRE PROTECTION ENGINEERS

OUR AGENTS HAVE FOUND our engineering services of such value and assistance that we must again increase our engineering staff. A man familiar with the Midwest territory preferred. If you are interested in a future with a progressive company you are invited to contact us.

KANSAS CITY FIRE & MARINE
INSURANCE COMPANY
301 West 11th Street
Kansas City 6, Missouri

OPENING FOR FIRE
UNDERWRITING MANAGER

Nationally known company has attractive opening for man to manage fire underwriting department in Minneapolis. Broad experience required in underwriting fire and inland marine lines. Age 30 to 35 preferred. Management experience not necessary. Address M-51, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

AVAILABLE

Wisconsin field man with broad experience in fire and allied lines. Can furnish excellent references. Address M-53, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Cleveland, Ohio Agency needs Sales Manager with Fire and Casualty experience. Develop new and established accounts. Unlimited opportunity. Salary plus commission. Outline previous experience. Address M-37, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED: SOLICITOR

An opportunity awaits a young man in a prominent local agency in a medium sized town in Northern Illinois. Qualifications: Honesty, ambition, personality, intelligence—knowledge of business secondary. Straight salary. Work consists of selling, soliciting renewals, myriad other agency activities. Write giving qualifications including health and starting salary expected. Address M-47, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

KANSAS AND/OR MISSOURI

Fire field man who knows both conditions and agents in these states wishes to make change. Now employed. Address M-50, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED
FIRE UNDERWRITER

Excellent opportunity for experienced fire and inland marine underwriter to work into supervisory field in St. Louis in the near future. Age 30 to 40 preferred. Address M-52, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Young Claims and Production Manager with nine years varied experience in Accident and Health offers services to company or agency. Capable of managing branch office or claim department. Thorough understanding in all phases of A. & H.; accounting, underwriting, sales promotion and claims. Past record and references available. Wants position where experience and initiative count toward advancement. Address M-48, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Experienced insurance woman, 30 years of age, familiar with all phases, fire, casualty, marine insurance, including bookkeeping procedure, desires position. Capable of managing office. Address M-49, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Houston F. & M. Again in Cal.

Houston F. & M. has been relicensed in California. It formerly was admitted there but withdrew from the state early in 1945.

NEWS OF FIELD MEN

Hanover Promotes
Jana and Aust to
Department Supts.

James P. Jana and Bert H. Aust have been named superintendents of agents in the western department of Hanover, Chicago. Mr. Jana, who has been with Hanover for his entire career, has been state agent in Illinois. Before becoming state agent in Oklahoma, Mr. Aust was with Oklahoma Inspection Bureau for 11 years as chief clerk.

William F. Johnson, special agent in Michigan, has been named state agent in Illinois. John B. Keena, special agent in Illinois, has resigned to enter the local agency business in Florida. Mr. Johnson returns to the Illinois field which he traveled for Hanover prior to entering the army.

Wayne L. Barr, state agent in Nebraska, has been transferred to Michigan as state agent where he will be associated with State Agent Ben Phillips, Jr. He has been with Hanover since graduating from college except for time in the AAF.

Dale Thomas New Head
of Oklahoma Blue Goose

Dale R. Thomas, Firemen's, has been elected most loyal gander of the Oklahoma Blue Goose, to succeed Paul Slater, America Fore. E. H. Richards, Oklahoma Inspection Bureau, becomes supervisor; E. C. Dice, St. Paul F. & M.; custodian; John N. Jones, Phoenix Assurance, guardian; E. M. Pearson, Aetna Fire, keeper; and L. H. Singleton, welder.

New officers were installed by T. Ray Phillips, America Fore, past loyal grand gander. Mr. Thomas and Howard E. Pate, Commercial Union, were named as delegates to the grand nest meeting at Miami in October, with Mr. Phillips and Judge Austin Rittenhouse as alternates. W. M. Rogers, General Adjustment Bureau, Clinton, was initiated.

Home Puts Diring in Home
Office; Aitken in Montana

Home has named Robert S. Aitken state agent in Montana and transferred Larry Diring, Montana manager, to the Pacific and foreign division in the home office.

Mr. Aitken came to this country from Scotland in 1921 and entered the business with Griffin & Standard, local agents at Kalispell, Mont. He became special agent at Spokane for American of Newark and in 1939 was appointed special agent for Home there.

Mr. Diring first entered insurance in 1927 with Missouri Inspection Bureau. In 1930 he joined Home as an examiner in New York. He was appointed special agent in Montana in 1934 and became state agent in 1944. Last February he was appointed manager.

Davis Joins Hartford in Ore.

Richard N. Davis is a new special agent in Oregon for Hartford Fire with headquarters in Portland. He started with the brokerage firm of Grant-Birkholm & Co. at San Francisco and in 1932 went in the field for Crum & Foster, covering Washington, Idaho and Montana. During the war he served in the coast guard and since his return has been special agent of Pacific National Fire in Portland.

N. D. Preventionists Elect

At the annual meeting of the North Dakota Fire Prevention Assn. at Fargo, new officers were elected: President, Rex J. Klinkenborg, Norwich Union; vice-president, L. J. Brown, Fidelity-

Phenix; secretary-treasurer, S. G. Mason, Liverpool & London & Globe.

Mr. Klinkenborg addressed a fire school at Mayville, N. D., on "Fire Rates and Their Relation to Fire Protection and Fire Defense." Fire Chief Wells of Fargo and Commissioner Krueger were in attendance.

The summer meeting of the North Dakota section of the Dakota Blue Goose was held at Moorhead, Minn. Wives of members were guests for a social evening.

Oakes N. D. Secretary

W. C. Oakes has been elected secretary of North Dakota Fire Underwriters Assn., with Mrs. Marie W. McCaul continuing as assistant secretary.

Shift Thomson to Seattle

Atlas has appointed Frank G. Thomson special agent at Seattle, covering western Washington. He has been special agent in northern California and Nevada for two years and before that time was in the army air force.

Great American Picks Isham

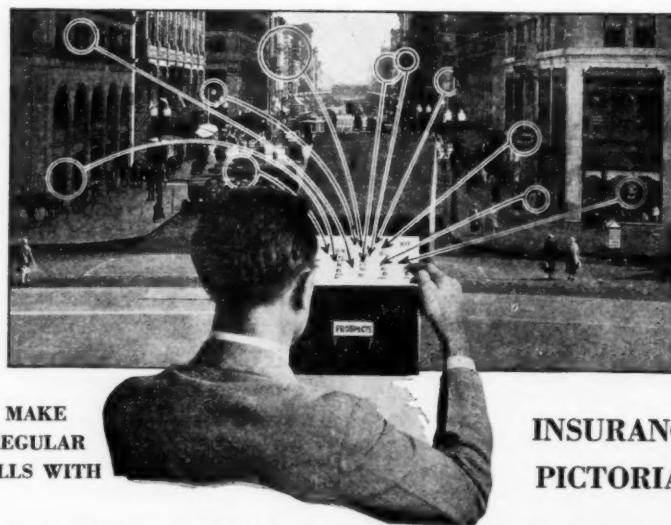
Donald C. Isham has been named special agent for Great American at Los Angeles to succeed Jay DeVoe, resigned. Mr. Isham has been a number of years with rating organizations, most recently with Pacific Fire Rating Bureau at Los Angeles.

Beter Switches Affiliation

Joseph H. Beter, Jr., is now special agent for Corroon & Reynolds. He was with Louisiana Audit Bureau for 15 years and has been special agent for Employers' Fire in Louisiana.

Security Appoints Neville

Security has designated Robert L. Neville marine special agent for southern California. Mr. Neville has had marine experience on the Pacific Coast both as an underwriter and in the field. He will headquarter at Los Angeles.



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COMPANIES

C. J. Williams Is
Named Secretary By
North British Group

NEW YORK—Charles J. Williams, who until just recently was manager of the Texas department of the North British group, has been appointed a secretary and is now located at the home office. He is associated with Secretary T. J. Southerland in the joint operation of the southern department.

Mr. Williams was originally employed by North British in 1927 as state agent for southern Texas. Eight years later he was made state agent for the entire state. In 1942 he was appointed manager of the Texas department. Most of Mr. Williams' insurance career has been in Texas. He was born in Austin.

Beverly C. Lewis, Jr.,
of Va. F. & M. Retires

RICHMOND—Beverly C. Lewis, Jr., vice-president and secretary of Virginia F. & M., has retired. He joined the company in 1903, soon after he had been graduated from Virginia Military Institute. He had held various positions and was vice-president and secretary more than a decade.

Incident to his retirement, President Claude D. Minor gave a dinner in Mr. Lewis' honor, attended by all the directors domiciled in Richmond as well as officials and certain employees of the staff who had been associated with him for a number of years. Mr. Lewis was presented a combination radio and record player, the presentation being made through a recording of a brief talk by Chairman H. H. Augustine and the presentation talk by President Minor.

Eagle Fire Moves

Eagle Fire of New Jersey has moved its head office to National Newark & Essex building. It has been located at 18 Washington Place.

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Yorkshire Victim of Mass. Law

The Massachusetts law requiring U. S. managers of companies operating there to be American citizens has been invoked against Yorkshire. Its license in that state has been terminated. Yorkshire had operated in Massachusetts since 1911.

The position of the affiliated Seaboard Fire & Marine and Yorkshire Indemnity, which are U. S. companies, is under consideration.

New Cal. Assigned Risk Plan Under Advisement

SAN FRANCISCO—The proposed new assigned risk plan, prepared by the advisory committee of the California motor vehicle insurance agreement, has been taken under advisement by Commissioner Downey following its submission to him by Cecil Lloyd, who presided at the public hearing last week, just before leaving the department to join U.S.F.&G. here. The new plan is in accord with a new state law requiring all automobile liability writing companies in the state to operate under some agreement approved by the commissioner.

Until the commissioner approves or disapproves, up to Sept. 30, the companies will continue to operate under the voluntary agreement and the present assigned risk plan. It is expected, however, that Commissioner Downey will act before that date. In view of the fact that only one criticism of the plan was voiced at the hearing its proponents and authors look for his approval. His consideration is based upon the "reasonableness" of the plan.

Bonn West Central Chief

MONTEVIDEO, MINN.—Bert E. Bonn, Security National agency, Montevideo, has been elected president of the West Central Minnesota Agents Regional Assn. Vincent C. Strong, Ortonville, is vice-president, and Michael Connolly, Danvers, was reelected secretary-treasurer. The annual meeting at Benson was attended by George A. Thompson, Minneapolis, president, and George Blomgren, executive secretary of the state association.

Glover to Atlantic Mutual

James G. Glover has been appointed special agent of Atlantic Mutual and Centennial in the San Francisco East-Bay, Sacramento and San Joaquin Valley fields for fire and inland marine. He was in insurance work in the east and on the coast before the war, in which he served as captain of intelligence, and recently has been special agent of Pacific National Fire.

After several weeks in the Pacific Coast department headquarters in San Francisco, Mr. Glover will be transferred to Oakland, where the companies are establishing a service office.

Fire Prevention Work by C. of C. Secretaries Urged

DALLAS—Some 200 chamber of commerce secretaries from six states, attending the Southwestern Chamber of Commerce Institute here, were urged by Alfonso Johnson, manager of the Dallas Insurance Agents Assn., who led the panel discussion on public safety, to return to their home towns to spearhead and sparkplug the community project of preventing fires. Pointing out that for many years fire-fighting was an insurance company problem until communities realized that every fire was and is a community loss, Mr. Johnson said the time has come when communities and private citizens must acknowledge that fire-prevention as well as fire-fighting is a community problem and he challenged the chamber secretaries to join forces with the local insurance agents and conserve property and lives.

He suggested four definite approaches to the fire prevention project: Law enforcement, building construction, fire fighting services and fire prevention education. Every secretary present was provided a bibliography of material, including the list of fire prevention motion picture films and the home inspection blank of the National Board.

Expands Detroit Office

LANSING, MICH.—The Michigan department is arranging for full-time service in its Detroit branch office. Louis La Belle, an examiner of the department for five years, who is in charge there, will conduct investigations, meet the public to answer inquiries or receive complaints, supervise licensing examinations, and handle other routine work of the office. Commissioner Forbes has regularly spent at least a day every other week in the Detroit office.

The department also is planning to designate an assistant license director soon, having obtained restoration of that classification in the state's civil service system.

Founders F. & M. in Texas

Founders F. & M. of Los Angeles has entered Texas. Jack Crabtree, who has been special agent of America Fore, has been named state agent, with headquarters at Houston. All business will be written through agents.

Craft and Marshall Split

The Craft & Marshall general agency at Greensboro, N. C., has been split and Clement R. Marshall has taken it over exclusively and moved it to Charlotte, where it operates as Marshall General Agency, at Poplar and Fifth streets. Floyd Craft continues to operate his local agency at Greensboro. Both agencies represent mutuals.

Best Insurance Story Told During This Week

President John L. Mylod of the Pacific National Fire of San Francisco has been making a trip in the central west visiting some of the important agencies. He was formerly assistant U. S. manager of the North British & Mercantile and is well known throughout the country. Mr. Mylod states that in all agencies that he visited someone invited him to lunch, dinner or to go out and have a drink. Heretofore, the company men have done all the buying. John says that now the tides have turned and the producers are evidently endeavoring to cultivate the companies and they are therefore doing the treating. Company men, Mr. Mylod said, are not to make any advance toward buying anything for an agent.



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EDITORIAL COMMENT

Getting Off the Hook

The always unsolved problem of insurance for long haul truckers, taxis, propane and butane haulers, motorcycles, etc., has never been more acute than today with that convenient but leaky vehicle, Keystone Mutual Casualty, six feet under. It is even worse than a decade ago when another plunger, Central Mutual, bit the dust. At that time there were other markets ready either to make an honest try to handle these hot potatoes or to glom on to the juicy premiums and enjoy bounteous salaries and commissions until the inexorable mathematics of the situation should put an end to the feast. Now the honest markets are so glutted with ordinary business that there is no incentive for them to tackle a back breaking underwriting and engineering problem. And we believe the state commissioners are today so sensitive to the situation that they will not permit irresponsible plunging on the part of venal or optimistic operators.

We don't pretend to have the answer, but certainly at least the idea of a specializing syndicate might very well be explored anew. Due to the operations of the assigned risk plans, coverage can probably be afforded for most of the risks that today are in desperate need of insurance. That, however, will probably prove to be but a temporary solution.

What many fear is that the plight of these risks may create pressure for some sort of relief via government insurance.

President Herman B. Wells of Indiana University in addressing a life insurance audience the other evening remarked that in a democracy the people are impatient and will insist on short cuts if solutions are not provided by what he termed "dynamic capitalism." For instance, he recalled that the people demanded federally guaranteed bank deposits and insisted on the FDIC act even though many economists regarded

such a step as economically unsound.

It is, of course, an old cry that if private insurance doesn't do it, the government will and such an argument certainly should not be used as a whip to herd insurance companies into every slaughter house risk bearing situation that develops.

Nevertheless the insurance industry can't afford to wash its hands of these situations without making an earnest study of the problem, and pondering what responsibilities it may have if any to provide facilities. The field, of course, is particularly uninviting to the companies these days because of lack of sufficient surplus funds to handle comfortably even the ordinarily acceptable type of business that is being offered.

As a matter of fact the chances are that a pool would not actually provide the kind of relief that these difficult risks are seeking, because part of the pool operation would have to be a first class engineering service and many of the risks could not afford to do the things that would make them eligible for insurance. Moreover the rates would have to be at a thoroughly sound level and that might be too much of a price to pay for a cab company or trucker that simply wants a policy of some kind that will enable him to get a city or state license.

Nevertheless if such a high grade market and engineering service were available, it might very well have the effect of placing the onus where it belongs—on the operator himself, on the city, state and perhaps even on the federal government for failure to grant a high enough cargo tariff. The insurance industry could then say that here is a market for risks that are safely operated and that will pay the necessary cost. It would, we think, at least take the insurance companies off the defensive hook.

Fire Preventionists Being Created

Agents having large lines find it difficult to secure sufficient insurance. They resort to all sorts of expedients and seek all avenues to get protection and they find themselves frustrated. The heavy value risks present a real problem today. The owners of many such properties heretofore have regarded fire prevention as something desirable but they did not give it much attention. Today they realize that they might be said to

be in the insurance business. They cannot get sufficient insurance to cover their property and hence the loss might cause them serious embarrassment, because of its destruction.

Agents who have these risks notice that there is a genuine change in attitude and sentiment. Owners now realize that they cannot afford to have a loss. They must take every precaution to prevent a fire. This is particularly

noticed in the meat packing industry. It has always been regarded as a hazardous industry but the packers have realized the seriousness of their situation. Their packing houses are full of meat that is valued at least four times as much as it would have been a few years ago. Therefore they have gotten together, studied methods of fire prevention and made improvements that less-

ened the hazards, they now have watchmen on guard all the time, and at every point where it might be feared that a fire would start, they are extra cautious.

It might be said, therefore, that the industries that are needing coverage that they cannot secure have been forced not only to study fire prevention, but to become practical in the way in which it is carried out.

Mayor Kelly's Philosophy

Edward J. Kelly, recently retired as mayor of Chicago, had one of the toughest public office jobs in the United States. To attempt to supervise the public activities of Chicago and reign over it requires the strongest order of talent and sagacity.

Many people in Chicago were not favorable to Mayor Kelly's political principles and practices, but they realized that he was head of a powerful political machine and had to bow very often to it.

When he left his office a newspaper man inquired as to why he seemed to maintain his equilibrium and poise. He

told the mayor he gave no evidence in his face or manner of being exhausted or worried. He told him that he looked just about the same as when he first entered office. He inquired what method he used to maintain so much of the bloom of youth.

"I never allowed anything to get me," Mayor Kelly replied.

By that answer he meant he met all the problems, demands, and duties with serenity and did not permit them to overcome him. He did the best he could to find a happy solution or course. That is a very excellent program for business men to follow.

PERSONAL SIDE OF THE BUSINESS

Helen Stombs, newly elected president of the National Assn. of Insurance Women, has come

up through the ranks of the association and has devoted a great deal of time to this work. By 1944 she had become state chairman for Illinois. Before being elevated to the presidency, Mrs. Stombs was treasurer of the National association. She is with C. J. Montgomery Agency of Rock Island, Ill., and has supervision of the office. Her entire business career has been in insurance agency work.



Helen Stombs

Percy F. Lewis, Milwaukee local agent, a naval aviation veteran of both world wars, has been appointed commander of the Wisconsin Wing, Naval Airmen of America, composed of navy, marine and coast guard air officers.

Clarence F. Merrell, of Slaymaker, Merrell, Locke & Reynolds, Indianapolis law firm, has been appointed a legal adviser to the Fifth Military Tribunal in Nuremberg, Germany, by the War Department civil affairs division. The court asked that Mr. Merrell be appointed to that position on recommendation of Curtis G. Shake, former judge of the supreme court of Indiana, who will serve as one of the three members of that tribunal.

L. F. Burrage, local agent at Ellensburg, Wash., has been in Chicago, being the guest of Mr. and Mrs. E. J.

Strawbridge of Oak Park, Ill. Mr. Strawbridge was formerly with Liverpool & London & Globe western department and is now retired. Mr. Burrage's son married Mr. Strawbridge's daughter. His son is still in the navy.

Everett P. Freeman, former deputy Minnesota commissioner, has opened a law office in St. Paul and will specialize in insurance cases.

Frank McGee of the Thomas McGee & Sons agency of Kansas City has returned to his home from the Mayo Clinic at Rochester, Minn., where he underwent an operation for removal of a throat tumor.

Cameron Brown, partner in the Chicago insurance firm of George F. Brown & Son, is on a European trip. He went primarily to confer with London Lloyds, but it is also a wedding trip since he was married in May to a Ft. Wayne girl and she is accompanying him on the trip. His mother is also on the voyage. Presently they are in Sweden.

Max R. Schrayner, vice-president of Associated Agencies, Chicago, has been re-elected president of the Congregation of the K. A. M. Temple, Chicago. Mr. Schrayner is active in several other Jewish religious circles.

Elmer L. Barr, manager of the Barr Adjustment Co. with headquarters at Los Angeles, is nearing the end of a two months business trip to various eastern cities. He has been motoring with Mrs. Barr. His adjustment office has connections with some 200 companies and he has been getting in touch with most of them during the course of his trip. Upon his return he will set up a new branch at El Centro, Cal., which will make five offices in all. In addition

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tion to Los Angeles, the Barr Adjustment Co. has branches at San Bernardino and Santa Ana, Cal., and at Las Vegas, N. M.

Miss Eda M. Doty, who retired from the Western Underwriters Assn. in 1941, after many years service, has been visiting friends at Chicago. She was in the old Western Union office before there was any secretary and manager. Miss Doty now resides at San Antonio. She called on Mrs. W. W. Dudley, whose husband was the first secretary of the Western Union.

DEATHS

Samuel C. Williams, 73, president of the Williams, Meyer & Ansley agency of Atlanta since it was organized in 1935, died there after a prolonged illness.

Harry R. Clarkson, 63, an executive of the Fred L. Gray Co. general agency and long a Republican leader in Minneapolis, is dead.

Loren E. Roush, 56, owner and manager of the Mid-West Company, Topeka general agency, died suddenly of a heart attack. He served several terms as supervisor of the Kansas State Building & Loan Assn. and was a director of the First Federal Savings & Loan of Wichita.

A. A. Johnstone, 62, chief accountant of Royal-Liverpool group, died in Lynbrook, N. Y. A native of Ireland, he joined Queen in 1907. Several years after coming to the U. S. in 1926 he became chief accountant. Following the consolidation of Royal-Liverpool group activities in 1932, he was named chief accountant for the group.

Excess Insurer Caught

NEW YORK—The New York supreme court has found that an excess insurer must pay up to the full amount of the excess coverage in a case where the insured failed to inform the primary insurer—East & West—of the location of risks covered under a reporting form. Loma Dress Co. instituted the action.

Coverage was determined by monthly reports. In the absence of a current report the last report was considered by the court to be effective as to risks and locations. The destroyed merchandise was at a location not listed in the report. Fidelity & Guaranty Fire provided excess insurance of \$20,000 over the amount due from other insurers. The loss was \$33,189.

The court found that East & West was not liable. Fidelity & Guaranty Fire did not stipulate in its contract that other insurance was obligatory and the court decided that it should pay to the \$20,000 limit.

Carson With Gould & Gould

A. B. Carson, formerly chief zone fire protection engineer in the eight western states for the WAA, has joined Gould & Gould, Seattle general agents, as manager of the fire engineering department.

He was for 15 years in the engineering department of the New York Board, resigning in 1938 to take charge of Fire Association's New York engineering department. He joined the army air forces in a civilian capacity in 1941 and at the end of the war was assigned to WAA.

P. M. Production Up 14%

Production in the commercial A. & H. department of Pacific Mutual Life for the first six months of 1947 shows a gain of 14% on a paid premium basis over the same period of 1946.

Richmond Takes New Post

Isidore Richmond, lately a major in the army, with nearly five years' service at home, in North Africa and Italy, has joined the Transportation Agency, Salt Lake City. He was with Tracy

Loan & Trust Co., Salt Lake City, for 23 years as casualty, bond and inland marine underwriter, and office manager of the insurance department.

In his new connection he will act as office manager and will supervise the underwriting department.

Opens Watertown Office

General Adjustment Bureau has opened an office in Watertown, N. Y., with A. A. Longway as branch manager. He was formerly in the Syracuse office and had 10 years of adjusting experience before joining the bureau. He will service parts of three counties.

Names Education Director

General of Seattle has established a department of education for instruction of agency forces as well as company employees. Annual sales clinics and regular insurance classes for the younger employees will be held. Ven G. Wedge, who has directed the companies' two G.I. schools, has been made director of education.

Gross Joins General Agency

Charles F. Gross, formerly assistant manager at Seattle for the Continental Casualty, has joined the newly-formed Preferred General Agency of Seattle as general manager. The firm is affiliated with the Preferred Insurance General Agency of Portland, of which Ed W. Eggen is manager.

Miss. School July 23-25

The annual fire, casualty and surety school is scheduled to be held in Jackson, Miss., July 23-25, according to Dr. Horace B. Brown, Jr., dean of the school of commerce and business administration at the University of Mississippi. Arrangements for the school are being made by Clant M. Seay, manager Mississippi Assn. of Insurance Agents.

Burrows Is Special Agent

Providence Washington and Anchor have designated Frank S. Burrows as marine special agent at Boston. He has been associated in the home office marine department as underwriter.

Latta to Yakima Agency

Lynn Latta has resigned as San Francisco manager of Travelers Fire to join the William B. Auda agency of Yakima, Wash., as vice-president. He was assistant manager of Travelers Fire in Washington 1936-1941, when he was promoted to manager at San Francisco. Previously he was special agent at Detroit.

Multiple Licenses in Mont.

HELENA, MONT. — Commissioner Holmes announces that he has licensed 197 fire insurance companies and 103 casualty companies under the new Montana law authorizing the writing of multiple lines.

Grain Assn. Office Moved

The Underwriters Grain Assn. headquarters are being moved from 2060 Insurance Exchange building to A-1934 in the same building. Western Adjustment, with offices adjoining the vacated quarters, will move into them.

Kosciusko Board Elects

Kosciusko County (Ind.) Insurance Board, meeting at Warsaw, Ind., elected Robert Hall, president; Earl Himes, vice-president; Mrs. W. A. Diddell, secretary.

After 5½ years in the army, Frederick W. Lundh has rejoined Northwestern Mutual Fire and following a refresher training course at the home office at Seattle will return to New York, where he was office manager before entering service.

"I LIKE THE WAY
PACIFIC
NATIONAL
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Crosser Act Repealer Is Doused in Senate

**Lose Hope for Action
Now, But Gird for
Future Fight**

WASHINGTON—Insurance industry representatives were dejected the other day when they learned that the Senate labor and welfare committee failed to report the bill to repeal Crosser railroad retirement non-occupational sickness and maternity benefits. The wet blanket turned out to be Senator Taft, chairman of the committee, who is committed to the principles of the repealer but who, apparently either for political reasons or because of considerations of timing, kept the committee from acting on the bill.

The interested insurance group had been quite optimistic prior to this setback because the House interstate commerce committee had reported it and Senators Hill of Alabama and Ives of New York, who are members of the labor and welfare committee, had been won over to the bill.

Tentative adjournment date for Congress is July 26, and if that becomes the official date, the insurance partisans of the repealer say that their cause is hopeless at this session. However, if there should be an extension beyond that date, they feel they still may have time to win the day.

Benefits Now in Effect

The Crosser act benefits went into effect July 1, but nevertheless, the insurance people that are fighting the scheme say that they will be on hand next January when Congress again convenes and will fight to the utmost for repeal, even though they realize that it will be harder to dislodge existing benefits than to prevent a benefit system to be initiated.

Besides the time factor that worked against the insurance men at this time, there was a political consideration that influenced what might have otherwise been important friends of the legislation. For instance, men like Speaker Martin, it is said, felt it would be unwise to pass this bill which could be labeled by opponents as anti-labor, after having passed the Taft-Hartley labor act over President Truman's veto.

New Manual for Teachers

A new, improved 28 page manual for teachers of driver education entitled "Building Driver Testing Devices and Using Driver Tests," has been published by National Conservation Bureau.

Plans for easy and economical construction of devices to test drivers' visual acuity, field of vision, depth of perception, glare resistance and reaction time are shown. Photographs show how the completed devices are operated. Supplementary information on giving behind-the-wheel instruction and tests of visual traits, color blindness, blood pressure and reaction and braking distance is included in the manual.

Policy Dividends Reduced

Interboro Mutual Indemnity has reduced its policy dividends on all lines to 15%. Previously the scale was 25% on automobile and 20% on other lines.

Keystone Debacle Puts to Test Assigned Risk Plans

NEW YORK—The Keystone Mutual Casualty debacle has thrown a terrific load on the assigned risk plans, from which the office force is just now emerging. The New York City office which handles New York, New Jersey, Pennsylvania and Connecticut has had to put on eight additional employees and is trying to get more, though it will soon be up against the limitations of office machines and desk space. The entire force has been working overtime, with only one evening off a week.

Manager G. J. Schepens says the response of the companies has been splendid. Everything possible has been done to expedite the handling of public passenger vehicles and long-haul trucks to get them back on the road as rapidly as possible. Last week the flood of phone calls badly interfered with the work but these have now tapered off. Another hampering factor has been that some taxi owners, anxious to get their cabs back in service, have been placing their requests with two or more brokers. One owner had six brokers trying to get him fixed up. This results in delay for himself and others, since someone has to write and find out which producer he wants to have recognized.

While a company receiving a risk under the assigned risk plan is not obligated to offer more than the basic \$5,000/10,000 limits ordinarily, it must go as high as the law requires where higher limits are required by law. The assigned risk plans were not planned with this sort of situation in mind but it is regarded as extremely fortunate that they are available to handle the situation, which might otherwise result in chaos and a widespread demand for a state fund to take care of risks that an insurer would ordinarily not accept.

N. J. IS INQUISITIVE

NEWARK — Citizens Casualty of New York was directed to furnish proof of its financial ability to take over the insurance on 93 buses formerly insured in Keystone Mutual and its president, Jack Hyman, appeared before the public utilities commission here with the latest financial statement and a copy of the New York state examination report which was due to be filed this week. It is understood that the New Jersey commission intends to demand similar proofs from all insurers of buses and other vehicles required to carry insurance. This action is presumably due to the Keystone Mutual situation, which resulted in 386 buses being ordered off the road until they obtained insurance for the protection of riders.

PROBLEM AT MEMPHIS

MEMPHIS—The plight of 24 Negro cab owners, operating 103 cabs, became more complicated because local insurance coverage cannot be found following an order from City Commissioner Frederick that all cabs with insurance by Keystone Mutual be taken off the streets until other underwriters could be found. This company was carrying about 75% of all Negro cabs in Memphis.

VIRGINIANS EMBARRASSED

WASHINGTON—Taxicab operators in nearby Virginia towns report policies of Public Service Mutual, New York, following cancellation of Keystone Mutual Casualty, will be withdrawn effective July 28. Cabbies' spokesmen said Public Service gave no explanation of cancellation, after it is reported to have agreed to cover a majority of cabs left uninsured by Keystone's collapse; also that the Virginia corporation commission had formally approved the Public Service policies.

About 200 cabs are affected in Alex-

andria and Arlington, Va. Only one cab company reported obtaining insurance from another company providing adequate coverage after July 28. Meanwhile, the corporation commission is reported attempting to locate companies to accept Virginia cab insurance. The commission has distributed applications to cab operators throughout the state suggesting they be returned promptly.

MICH. SETUP SWAMPED

LANSING—Michigan's taxicab service was seriously affected during the past week by the insolvency of Keystone Mutual Casualty. Cab lines in numerous cities were ordered to cease operations until they could replace their insurance.

In answer to inquiries Commissioner Forbes advised that the matter be taken up with the Michigan assigned risk plan. Under this plan there is a period of some 15 days before coverage is made effective and the sudden influx of applications swamped the office.

At the week's end, many cabs still were idle although some cab lines had found insurers. Among the cities affected were Grand Rapids, Flint, Saginaw, Battle Creek, Benton Harbor-St. Joseph and Ironwood. Firms in a total of some 40 communities were said to have appealed for aid in obtaining coverage. Local ordinances varied somewhat in their requirements so that the problem of placing the business had many ramifications. It appeared some lines might be allowed to self-insure.

Car Rental Firms Multiply; Insurers Are Wary

NEW YORK — Casualty companies are reluctant to accept insurance on drive-it-yourself vehicles in this area. Some underwriters charge that state and city regulations are not sufficiently strict. Despite premiums for B.I. and P.D. which total \$490 annually for most operators in the car rental business, insurers consider the line a poor risk. The numerous new operators in the field are considered inexperienced and often incompetent. Most of them have entered the field due to the car shortage. Many of the operators, it is said, rent the cars without sufficient discrimination.

The rates were set up by the New York department in conjunction with Mutual Casualty Insurance Rating Bureau, National Bureau of Casualty & Surety Underwriters, and local drive-it-yourself operators. The larger, more experienced and more careful concerns complained about the high rates applied to the class as a whole. Now these firms are individually rated and get a better tariff. The difference is attributed to their maintenance of garages and to more careful selection of customers. Despite this, however, the general practice is to accept these risks only as a service to the insured if he is an experienced operator and has some other business with the company.

The insurers do not consider the present rates excessive as some of the vehicles rented bring in returns of as much as \$500 to \$600 monthly. Business is still going well and is above the 1946 level. The present rates are experimental and may be changed toward the end of the year when more experience with their use has been acquired.

There are now approximately 166 operators in the car rental business in the metropolitan district. The field is crowded and highly competitive. More than 4,000 vehicles—double the pre-war figure—are now registered for such use by the state.

War Projects Rating Plan Now Discontinued

**Special Treatment for
Government Contract
Insurance Is Terminated**

The Joint Rating Committee, charged with the administration of the comprehensive rating plan for war projects insurance, has recommended the discontinuance of the plan effective July 1, and has suggested to the various rating organizations that they withdraw the filings they have made with state authorities covering the use of the plan. It is contemplated that after July 1 all U. S. government contracts for work to be performed within the U. S. will be subject to the same insurance treatment that applies generally in the business.

Still Used Abroad

The plan will be continued to the normal conclusion of contracts which are now insured under its provisions, and it will likewise continue to be available to risks located outside the U. S. These "out of the country" risks have always been handled by negotiation between the individual insurer and the government.

The recommendation of the Joint Rating Committee has been transmitted to companies and rating organizations through the medium of a joint rating committee bulletin.

The casualty bureau's action in a way parallels that of the stock fire companies which also effective July 1 put an end to special war time concessions for the government. Factory Insurance Assn. canceled its special arrangement with RFC.

Both the War Department and Navy Department, in letters acceding to the discontinuance of the plan, complimented the casualty industry for its contribution to the war effort.

Ohio Farm Bureau to Build

Farm Bureau Mutual Automobile of Columbus will erect an eight-story building there to house its offices and those of Farm Bureau Mutual Fire and Farm Bureau Life. Three buildings now occupied by the Farm Bureau will be razed to make way for the new structure. The buildings will cost about \$2 million and will have 300,000 square feet of floor space. There will be a cafeteria to accommodate about 2,000 employees.

Brokers Bond Change Approved

Forgery insuring clause D in an amount less than \$10,000 under brokers blanket bond No. 14, has now been approved in Alabama, Louisiana, Mississippi, New Jersey, North Carolina, and Virginia, in addition to the "open" states.

Counsel Meeting Sept. 4-6

The International Assn. of Insurance Counsel will hold its annual convention at the Monmouth Hotel, Spring Lake Beach, N. J., Sept. 4-6.

A. Simon, Aetna Casualty, has been elected president of Insurance Accountants Assn. of Philadelphia; E. Sheetz is vice-president and A. L. MacLennan, Bankers Indemnity, is secretary.

Residence Theft Forms Need More Cover to Value

Iago Says Larger Claim Is Key Problem—Doesn't Believe Prices Will Decline

NEW YORK—The present unprofitable state of household theft underwriting, some of the reasons therefore, and his own observations of steps that might be taken to improve such coverages, were dealt with by John J. Iago, vice-president of Fidelity & Deposit, in his talk before the Burglary & Glass Insurance Club here.

Approximately 60 attended the late afternoon meeting, which was a tribute to Mr. Iago's reputation and ability as a speaker and also a reflection of a more

vigorous organization. The club recently was reorganized with Walter S. Costello of Royal Indemnity as president. Mr. Costello presided.

One measure that would bring an improvement if the companies would apply it, Mr. Iago said, would be some requirement of insurance to value. If the residence burglary and outside theft were written in larger amounts, at the present rates, the experience would be a good deal better, he suggested. Residence policies of \$4,000 or \$5,000 are unusual. There are a great many written for \$1,000 where the insurance ought to be much more. If every \$1,000 policy could be increased to \$1,500 or \$2,000 without a decrease in rates, the line might be converted from the red to the black column.

Principally a Theft Policy

The residence theft and the personal property floater provide practically all the theft insurance carried by householders in the United States, Mr. Iago stated. Though broader in many respects than the residence theft, the P.P.F. is principally a theft policy. From 75 to 80% or more of the losses under the P.P.F. are theft losses. It is recognized as a theft policy by many states. For example, New York authorizes it as a theft policy. Consequently, the condi-

tions affecting one coverage affect the other.

From 1928 to 1942, the underwriting experience on the personal property floater was good. It then worsened, and notwithstanding an enormous increase in premium volume, the loss ratio practically doubled between 1942 and 1945.

Experience has followed a similar pattern on the residence theft policy. The casualty companies writing it have had practically the same experience as the marine companies on the P.P.F. There was a satisfactory underwriting experience to 1943 and then the blizzard struck.

P.P.F. premiums in the United States run between \$15 million and \$20 million annually and premiums aggregate about the same amount on residence theft, for a total of \$30 million to \$40 million a year. There was a time when total burglary business of all kinds didn't equal \$30 million.

Cannot Abandon Line

The business is unprofitable. Yet the volume is so big that companies cannot abandon the line, Mr. Iago suggested. Perhaps one or two or more companies might curtail or discontinue underwriting the insurance, but the industry is tied up to a substantial volume, and some means is going to have to be found to bring the business to a satisfactory state.

The outstanding reason for poor underwriting experience is the enormous increase in prices, Mr. Iago said. There has been a real, if gradual, inflation. The values of insured property have increased correspondingly, and the average claim has gone up materially.

Increase in loss ratio resulting from an increased claim frequency attracts attention immediately in the burglary and robbery field. The newspapers note an increase in crime. More people buy burglary and theft protection, and more losses reach the insurers.

AVERAGE LOSS

But the frequency affects the loss ratio a good deal less than a sharp increase in the average loss. The latter is much less spectacular than stepup in frequency, but it has a good deal more serious effect on experience.

In the late 1920s and in the 1930s in New York City the underwriting experience on open stock burglary was satisfactory. Yet the frequency was quite high. The average loss was much lower than in 1923-24 when the companies lost money on that line. In the latter time losses were less frequent but the size was greater.

The fire and marine companies account for the poor personal property floater experience in several ways, but the reason they emphasize is failure to get insurance to value. The whole underwriting and rating of the P.P.F. is geared to full insurance to value. The policy is so arranged that furs and jewelry must be insured specifically. Other forms of property are insured blanket, but an essential requirement of the underwritten amount is that it be equal to or greater than 80% of the value of the property at the time of insurance. A company would not knowingly issue the policy unless this were so. The insured declares the values in the policy. Actually there is no co-insurance involved, and the requirement of insurance to value is enforceable only to the extent that declarations constitute warranties.

It is generally admitted by the fire and marine companies that they don't get 80% to value. Thus they do not receive the premium to which they are entitled. They do not have the benefit of the 80% coinsurance clause, although that is the basis of rating the policy.

This is an unfortunate condition at any time, Mr. Iago said, but at present with the amount of claims so much higher than formerly, the failure to secure insurance to value has a tremendous influence on the situation.

What is said of the P.P.F. can be said, (CONTINUED ON PAGE 22)

Get Together on D. C. Rate Bill

WASHINGTON—Real progress is being made toward enactment of casualty rating legislation for the District of Columbia. The House District of Columbia subcommittee on insurance has recommended to the full District committee the latest bill of Rep. Simpson, Illinois, subcommittee chairman. The full committee is scheduled to take up the measure July 11.

The subcommittee's action followed conferences between Simpson and sponsors of other D. C. casualty rating bills at an executive hearing attended, among others, by Superintendent Jordan and Assistant Corporation Counsel Lloyd Harrison.

The following members of Congress are reported to have agreed with Simpson upon his compromise bill: Rep. Gwynne, Iowa, who introduced the all-industry committee bill; Scott, Pennsylvania, who offered the North America bill; Poulsen, California, who sponsored the so-called California plan measure; McMillin, Illinois, who introduced the Risk Research Institute bill, and Ploesser, Missouri, sponsor of the "small business" bill.

Jordan Dislikes New Bill

Jordan does not like the new bill and so expressed himself in conference at the Capitol, it is understood, although he declines to comment, in view of the fact that developments occurred in executive session. Another district official says the compromise bill has not been approved by the D. C. commissioners or submitted to them.

It is reported that American Mutual Alliance has not agreed to the bill.

J. Raymond Berry, general counsel National Board, and J. Victor Herd, president National Automobile Underwriters Assn., were at the Capitol looking into the situation with respect to D. C. rate regulatory legislation.

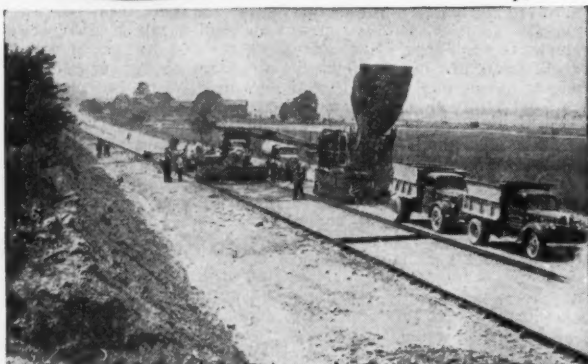
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VINCENT CULLEN
President

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Davis Joins North American Accident as Agency Director

Charles H. Davis, manager of the eastern railroad department of Pacific Mutual Life at Chicago since 1937 and widely known among accident and health men throughout the country, has been elected director of agencies of North American Accident and will take over that post Sept. 1.

President George Manzelmann of North American, who has continued general supervision of the agency department in addition to his administrative duties, will now relinquish that work entirely.

S. Robert Rauwolf, assistant agency



CHARLES H. DAVIS

director, who has been in direct charge of agency work under Mr. Manzelmann's direction, has been named vice-president in charge of public relations and advertising. He has become well known among accident and health agency executives and has been particularly active in the agency management section of the Health & Accident Underwriters Conference. Miss Hazel Boostrom, who has been President Manzelmann's secretary for many years, has been elected assistant secretary of the company.

Mr. Davis has been in insurance work for 23 years and with Pacific Mutual 18 years. He started in life insurance and was in Detroit, Minneapolis and other cities before becoming home office supervisor of the commercial accident and health department. In that capacity he traveled over the entire country, promoting the development of accident and health business in the company's life agencies. He took over the railroad department work 11 years ago, succeeding John L. Watts when the latter was named a general agent of Pacific Mutual at Chicago.

He is a past president of the Chicago Accident & Health Assn. and has made a reputation for his inspirational sales talks at sales congresses and National association meetings.

Business Increasing for Auto Fleet Renting Firms

NEW YORK—The rental of fleets of automobiles to concerns employing salesmen who travel is expanding. One car rental firm has contracts with more than 15 large concerns including a steel company, several textile manufacturers, a major metropolitan newspaper, and one of the large mail order houses.

Among the sales appeals of the plan are that the car rental firms have new model cars available, they maintain the automobiles in good working order, garage them, deliver them to the salesmen at their homes if desired, and replace them in case of breakdown. Public

liability coverage of \$100,000/\$300,000 plus fire, theft and property damage is carried on the vehicles by the car rental firm. The cost of this insurance is included in the rental fee.

The handling of the fleet's insurance by the car rental agent means that the agent who had the policy on the company's vehicles before it decided to rent a fleet loses this business to the car rental concern's agent.

Insurers' experience on fleets, which are usually on a long term rental or lease basis, has been favorable. The car

rental concerns place insurance with one company which covers all of its vehicles. The renter of the fleet is therefore already insured when he takes out the vehicle. The insurer uses a rate similar to the B rating of a private car used for business and pleasure. The car rental firms that have been in business for some time get the benefit of experience rating.

Premiums are calculated on a per car, gross mileage, or gross receipt basis. The car rental concerns generally garage a vehicle every 30 days or every

1,000 miles for maintenance purposes but replace it while it is being repaired.

Joins Chicago Glass Bureau

Fred G. Cappetta has been named supervisor of Chicago Plate Glass Service Bureau to assist R. C. Chapman, special agent in charge. He has been for 15 years in underwriting and claims work in Chicago. There are 33 member casualty companies. On the advisory committee are Aetna Casualty, Bankers Indemnity, Eagle, Royal and Globe Indemnity, U. S. F. & G. and Zurich.

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Holds for Bank in Check Forgery in Whisky Deal

The Illinois appellate court recently held in favor of two Chicago banks upon whom the payee of two checks attempted to fasten liability for forged endorsements, where the depositors, on whose orders the payee has acted, had waited several months after receiving their bank statements and there was evidence that they suspected the checks had been misused, but refrained from doing anything about it in the hope of completing an undercover whisky transaction. The case, which is of major interest to surety men, involved separate suits against Drexel National Bank and National Bank of Hyde Park by R. K. Magid, later consolidated into one action.

Magid, a pharmacist, was employed by Maurice Kaplan, owner of a drug store in Chicago. In December, 1943, Magid went to the Brown Derby Theatre Cafe to meet his wife, an employee there. While waiting, Samuel Rinella asked Magid if his employer, Kaplan, would be interested in purchasing some whisky at \$48 per case. Kaplan

said he would purchase 100 cases. Subsequently, Kaplan called an acquaintance, Harry Feldman, operator of a tavern and liquor store, for whom he had previously done considerable buying, who agreed to buy another 100.

Wanted Cash On Line

Several days later Rinella told Magid that in order to procure this whisky he would have to have the money and Kaplan offered to put the money up in escrow. It was agreed that Feldman and Kaplan would issue checks in the name of Magid, who was not to endorse them until the arrangement had been completed. Magid was supposed to deliver both checks to Rinella, who wanted to show the seller of the whisky that he had sufficient money to pay for it. Upon exhibiting these checks he was to return them to Magid, who would place them in escrow until the whisky was delivered. At that time, the checks would be endorsed and turned over to Rinella.

Feldman and Kaplan made checks payable to Magid in the amount of \$5,000

and \$3,200, as well as a check by Kaplan for \$1,400 which was not involved in this transaction, for a total of \$9,600, the price of the 200 cases of whisky. Neither check was ever placed in escrow.

Whisky Not Delivered

The whisky was to be delivered early in January and from that time until the end of April, Kaplan called Rinella repeatedly to determine why it was not delivered. Near the end of April both Kaplan and Feldman went to see Rinella and demanded their whisky. He told them that he could not make delivery and agreed to refund their money by June 5. Then on June 5, Rinella asked for and received an extension of 10 days. On June 15, Kaplan called Rinella's office and told the girl who answered the phone that if Rinella did not get the money to him and Feldman they would notify the states attorney. Later Kaplan called at the states attorney's office and told the whole story to an assistant attorney, who had Rinella call for an explanation. As a result of the visit a further extension was granted Rinella, permitting him to wait until Aug. 16 to pay up the \$9,600. Subsequently, he was given a further extension, but on Aug. 26, Feldman signed a complaint against Rinella and charged him with "unlawfully and feloniously obtaining \$5,000 from him by use and means of the confidence game." Kaplan signed a similar complaint. No charge of forgery was made at that time.

It appeared from evidence submitted that both Kaplan and Feldman knew their checks had been cashed shortly after they were issued and that neither the money or the checks had been in escrow. In the circuit court trial Kaplan testified he knew whisky was scarce and considered Rinella's reason for not delivering it as "rational" and was not especially concerned for possibly two

months after the check was drawn because "we wanted the whisky." He also admitted that he knew Magid's signature and that when he first saw his cancelled check on Apr. 15, the endorsement was not Magid's. The records also showed that Feldman gave Kaplan his cancelled check for \$5,000 early in June so that Kaplan might have it when he called at the state's attorney's office, because Feldman could not go himself.

The Drexel National Bank first received notice of the alleged forgery through the plaintiff about Aug. 31, 1944 and National Bank of Hyde Park about the end of September, by a letter signed by Magid's attorney. Kaplan and Feldman, makers of the two checks, never notified the banks.

Estopped by Knowledge

Judge Friend's opinion stated that although the banks did not concede the payee's endorsements on the checks as forgeries, the evidence admitted of no other conclusion. The opinion stated, "The facts hereinbefore set forth indicate that these suits involved nothing more than a transaction between Feldman and Kaplan, on the one hand, and Rinella on the other, and that proceedings were not instituted until months after fruitless endeavor on the part of Feldman and Kaplan failed to result in the delivery of the liquor, or in lieu of that, in the return of their money. It is difficult to believe that all those months Kaplan and Feldman did not have full knowledge of the facts with respect to the checks drawn by them. Their conduct undoubtedly constituted a ratification or adoption of the departure from the escrow plan, the cashing of the checks, and the retention of the money by Rinella. All this appears from their testimony."

The record did not indicate the exact date when Kaplan and Feldman learned

(CONTINUED ON PAGE 23)



DETOURS

are often shortcuts

"When one door closes, another always opens," says the old adage. Especially is this true in the Insurance field, where a temporary road block in one line often detours the Producer into another avenue of profitable new business. Manufacturers complete kit of policies, backed by extensive services, makes travel easy on any open road you choose.

For full details of our "One Call Covers All" plan, write, call or visit your nearest Manufacturers Insurance Companies office.

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HOME OFFICE

LOS ANGELES



Royal's Premium

World-wide casualty premium of \$21,840,375 for 1946, according to a report by the American Insurance Association.

Mr. Engling loss of quality business of \$440,900, United States a reduction of General A. U. S. Marine colleagues.

Am. Inc. Surety

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Royal's World-Wide 1946 Premiums Set New Record

World-wide fire, marine and casualty premiums of Royal amounted to \$21,840,373 in 1946, a new record, Chairman P. R. England reported at the annual meeting in Liverpool. This was an increase of \$4,255,642 over 1945. Underwriting profit was \$1,056,101. In addition the company wrote nearly twice as much life insurance as in 1945.

Mr. England reported an underwriting loss on United States fire and casualty business and an underwriting profit of \$440,999 on marine business. The United States fire expense ratio showed a reduction. He praised the work of General Attorney Harold Warner and U. S. Manager H. C. Conick and their colleagues.

Am. Indemnity Offers Surety Service at Chicago

American Indemnity has now opened a fidelity-surety department at its Chicago office in charge of Bernard J. Nietschmann, Jr. He has been in the fidelity surety field 12 years, most recently with Chris Schroeder & Sons agency, Milwaukee. He attended Northwestern University and Wisconsin State College and then started with Travelers Indemnity at Chicago and Peoria. Later he was with Massachusetts Bonding at Milwaukee. His father is the well known National Surety man at Chicago.

Reciprocals Cover O.K.d

DES MOINES—Following the request of the Iowa department, the Iowa attorney general has ruled reciprocal exchanges may write accidental death coverage in accident policies. He held such contracts were indemnity contracts and not life. Under state laws, reciprocals may write any insurance except life.

Slaker to McCaughern Post

Frank L. Slaker has been appointed to succeed Thomas McCaughern, retired, as secretary of District B of the Pacific Board. He has been with the board since 1904 and served in Montana, Oregon and Arizona. The past year he has been assistant secretary of District B.

Miekley Rejoins Camden

Camden Fire has appointed Horace Miekley, former inland marine manager at Philadelphia for Employers Fire to assist in developing inland marine business at the home office. He was at one time with Camden.

Mutual Alliance Ia. Clinic

American Mutual Alliance will hold its first post-war fire and casualty institute Nov. 6-8 at Cedar Rapids, Ia.

Among the topics to be discussed will be fire insurance contracts and casualty insurance contracts and forms, automobile liability and physical damage coverages, making of casualty insurance rates, use and occupancy insurance, rate administration, inland marine and aviation insurance, loss adjustment and arson, successful selling, and building a successful agency.

Signs Bay State Bills

BOSTON—Gov. Bradford has signed several important insurance bills, including fair trade practices, A. & H. all-industry, and one authorizing the payment of commissions to insurance brokers.

The rating measures backed by the domestic companies, as opposed to the all-industry bill, finally became a law.

All rates must be filed before they are used, but rates may be used immediately after filing, without a waiting period. They do not require supporting information on which the rates are based unless demanded by the commissioner.

The commissioner may disapprove

rates at any time, but such disapproval does not affect policies already in effect.

At the last moment a provision that disapproval of rates by the commissioner should not affect policies already in effect was stricken out leaving the way open for the commissioner to order refund of rates subsequently found to be excessive.

Regan to Phoenix Ind.

L. W. Regan, since 1934 a special agent with Employers group, has gone with Phoenix Indemnity as special agent in Boston for the bonding department.

St. Louis Tax Definitely Dead

JEFFERSON CITY—The Missouri supreme court has denied a motion for rehearing in the St. Louis income tax case in which it recently held the income tax ordinance unconstitutional.

Don O. Cameron, 52, Jonesboro, Ark., for the past three years with Fire Companies Adjustment Bureau, died there.

Announcement is made of the marriage of Lt. Warren W. Foster, Minnesota state agent Aetna, Minneapolis, and Miss Estelle Smith of Minneapolis, at Aitkin, Minn.

John Marshall Co. Extending Its Operations to 15 States

The John Marshall Insurance Company of Chicago which writes group hospitalization insurance has now been licensed in 15 states including New York, Pennsylvania, Michigan, Colorado, Delaware, Indiana, Illinois, Kentucky, Missouri, Ohio, Vermont, Washington and West Virginia. It has established branch offices in four states. All its managers and solicitors are on a salary basis. This company pays the entire hospital bill in any hospital, plus provision for surgical and medical expense.

It will soon establish other branch offices than Illinois, Ohio, Michigan and West Virginia. The Arkansas Medical Society and the Arkansas Hospital Association have officially approved its health insurance program. A state office will be started in Little Rock.

California has approved the application of the company and will give it official status when an agent is appointed.

Standard Veterans Crowned

At the annual meeting of the Ten-Year Club of Standard Accident, 52 employees were presented with pins for

from 10 to 25 years of service. Brief talks were given by Barney Doyle, president of the club, and E. A. Warnica, vice-president of Standard Accident. Pins were presented by R. H. Platts, president of Standard; F. S. Brown, vice-president and secretary; J. P. Hacker, vice-president, and E. A. Warnica.

Whiffen in Tex. State Post

Dean A. Whiffen has been named director of general liability section of the Texas casualty insurance department. He attended University of Wisconsin and in 1935 joined Continental Casualty at Chicago. In 1936, he went with Hardware Mutual Casualty. During the past three years, he was at Minneapolis for Aetna Casualty.

Okla. "Comp" Rate Hearing

The Oklahoma insurance board will hold a compensation rate hearing Aug. 18. New rates were filed by the National Council June 2, to become effective July 1.

R. A. Wuestenberg of West Liberty, Ia., has purchased the Thomas E. Crees agency at Atalissa. F. S. Scott, 80, local agent at Fairfield, Ia., has retired and his agency will be discontinued.

ACROSS THE NATION IT'S V-B-T

America's No. 1 Travel Protection

Talk about dusting off the "welcome" mat! Brokers, agents and producers from coast to coast have enthusiastically greeted the VBT Trip policy with open arms and "rush" requests for sales equipment. Here's why . . . fastest selling 5-minute insurance leader in America today . . . quickest "door-opener" for other lines ever devised by Continental . . . issued "on-the-spot" and "over-the-counter" in snap-out form . . . covers worldwide travel from 3 days to 6 months. No restrictions . . . sold on a full-commission basis.

Establish Your Headquarters Now

Aviation Accident Division

CONTINENTAL CASUALTY COMPANY

310 South Michigan Avenue

General Office: Chicago

Iago Analyzes Burglary Problem

(CONTINUED FROM PAGE 18)

and with greater emphasis, of the residence theft coverage. There has been even less effort in connection with this policy to get insurance to value. The residence theft contract is issued on a free and easy basis without coinsurance. In 1922-1923 the companies tried to put the residence theft contract on a mandatory coinsurance basis, without result. In the lush years of the late 1920s and 1930s, failure to get insurance to value

was not a serious matter. Today this failure results in very unsatisfactory experience.

The situation will remedy itself gradually and automatically if prices decline, Mr. Iago suggested. If prices today were the same as they were in the 1930s the present broad policy would at the present rates produce a satisfactory experience, he believes.

However, Mr. Iago does not believe

that prices are going back to the level of the 1930s. They may not increase substantially above the present levels. But quite a few predictions of price decreases have failed to materialize. If prices persist at the present levels for several years, the underwriting results are not going to be satisfactory on a nationwide basis.

In the first four or five months of 1947, underwriting results in several territories were reasonably satisfactory under the new rates, he added. This is not true of a cluster of states around New York City. Experience in that area is the worst. Mr. Iago's personal opinion is that it will be necessary to do some further adjusting of rates and possibly of the forms before the experience in the area will become satisfactory.

It hardly seems possible that anyone can buy a \$1,000 residence theft coverage to possibly get all the valuables represented in his jewelry, silverware and furs into a \$500 aggregate cover, he said.

LUXURY PROTECTION

It isn't every policyholder who wants or can afford a P.P.F. or residence theft policy, Mr. Iago added. It is a luxury protection. Statistics show that the great majority of families in the United States have incomes just about equal to (and sometimes less than) the necessities of life without any provision for luxuries. In other words, generally speaking, only the minority can afford coverage. He cited a survey to show that out of 10,000 householders approached only 1,600 carried burglary and theft insurance. This might indicate some lack of salesmanship on the part of producers, but Mr. Iago believes that out of 10,000 only a relatively small percentage could afford the policy even if it were called to their attention. This is equally true of the P.P.F. Policyholders therefore are better off than the average. It is logical to conclude that these policyholders need more insurance than \$1,000. Almost any one article of jewelry, a diamond ring for example, will be worth that much in today's market. Every divided policy providing \$500 under A and \$500 under B is undoubtedly substantially underinsured and should be replaced with more insurance.

One logical and reasonable step would be to try to increase those policies that obviously are underinsured, he suggested. The company records of underinsured losses would show that most of such policies were of the \$500/\$500 variety. If these were increased to \$1,000/\$1,000, there would be of course an increase in outgo in the form of paid losses, but the outgo would not increase as much as the income.

Attention Misdirected

Mr. Iago suggested that most publicity put out by the companies and agents on the form has emphasized small losses. This may have had some bad effect on the number of claims presented, but he doesn't believe that the small claims have swung the line from black to red. A year or so ago, a dozen or more companies got up a statistical tabulation to see what difference it would have made if they had been relieved of the small claims, that is, those up to \$25. These claims, they found, represented 20% of the volume as to number. This explains why attention has been attracted to those claims. The tabulation, however, showed that such claims accounted for only 4% of the amount of claims paid. Thus, the net loss ratio would have been four points lower under a \$25 deductible, which would not have made the line profitable by a long shot.

But attention has been directed to small claims, and this has affected underwriting experience because relatively no attention has been given to getting enough insurance to cover large claims. After all, he said, what a policyholder needs is insurance for the big loss that would really hurt him. For example, if his home were looted while he was away for a weekend, it would be a severe blow

to his economy. That is the type of loss against which the insurance should primarily be afforded.

"We have failed to keep people thinking of the need to protect themselves against large losses," he said.

Coinsurance Worked

He recalled that coinsurance was tried on the open stock burglary policy after everything else had failed to make it a desirable line for the companies, and it proved to be the cure. This forced merchants to carry adequate amounts of protection so that the big losses were covered.

It was expected that after the second World War there would be a severe crime wave, and that it would be more severe than the one that followed the first World War. There has been a crime wave, but not the kind that everyone predicted, Mr. Iago said. Armed robbery characterized the crime following the first World War. Banks were held up, payrolls were seized, there were big open stock burglaries. The crimes were of a spectacular, violent nature. So far following World War II the crime wave has consisted of petty thievery. There has not been a big increase in armed robbery. The thefts have been from homes. The losses have not been minor by any means, but they have been directed against householders.

There has been much talk about the coverage of mysterious disappearance, and one of the burglary underwriters asked a question regarding it. Mr. Iago said that personally he thought that if this was stricken from the policy, the reduction in payments would not be as substantial as many think. There might be some benefits. It is possible that this would get the business away from all the talk about stones falling out of rings, but he said that companies are not paying many such losses, in the aggregate. Yes, but companies are paying losses where the evidence of theft is remote, his questioner pursued.

Hard to Draw Line

The business always has the problem in theft insurance of where the line can be drawn, Mr. Iago replied. Under straight burglary policies, there must be visible signs of entry. There is no such line in the residence burglary policy. That policy as it is constituted today resolves any doubt in favor of the policyholder, where as previously it was resolved in favor of the company. He said he did not believe that its elimination would solve the problem that the companies faced.

Another underwriter said that the big jump in losses has been on the outside theft feature of the policy. Why not go back to the coverage of personal hold-up only, away from premises? Mr. Iago said that the injection of the outside feature did increase payments materially.

In the 1930s, he added, the loss ratio was good, but the premiums were drying up for bureau casualty companies, and as premiums went down the expense ratio went up. That was a serious problem in those days. Today there is a different problem, yet who is to say that the problem of a high loss ratio is any more serious than the one faced in past years?

Would a basic requirement of \$750/\$750 or \$1000/\$1000 help?

Higher Minimum Would Help

Mr. Iago replied that it would be a big help. An 80% mandatory coinsurance clause would certainly help and an effort to apply it might be more successful today than when it was tried years ago, he said. There were objections to coinsurance on open stock burglary, and selling the idea took time and work, but eventually it proved to be a very satisfactory way of handling this business.

Another underwriter suggested there is a difference between a man's business and his home. He doubted if the householder would understand coinsurance, when some brokers do not even do so.

Mr. Iago replied that in New York there is coinsurance requirement in connection with dwelling fire insurance, and



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The North American Accident Insurance Co.

209 So. LaSalle St., Chicago, Illinois

We write every practical form of Life, Accident, Health, Hospitalization and Medical Expense Insurance.

District Managers and Representatives WANTED

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the idea seems to be generally accepted. Consequently, it might be easier to experiment with a mandatory coinsurance clause in the New York area than anywhere else.

One observer pointed out that there is a difference between fire and burglary because property might be subject to total loss by fire but it generally is not so subject from burglary, and insured knows it. Another suggestion made was to limit loss to \$250 under section A, and thus force valuable items under section C, where the companies could get an additional premium. The possibility of getting an application signed by insured also was discussed.

Undoubtedly some requirement in connection with the policy will have to be made, in order to solve the problem of poor underwriting experience on the line, Mr. Iago admitted, but just what this requirement should be and how far it should go are the key to the matter.

Is the difference in rates between one- and two-family houses and apartment houses justified? To this question Mr. Iago replied that only about 5% of the people in Manhattan live in one- and two-family houses, while in Brooklyn the proportion is about reversed. In all the markets, one or the other type of dwelling predominates. Consequently, it is a problem as to which set of rates should apply.

Holds for Bank in Check Forgery on Whisky Deal

(CONTINUED FROM PAGE 20)

that Rinella had the money, but the opinion indicated that both of them received bank statements in February and each month thereafter and it was undisputed that the banks were not notified until August and September. Both notifications came from other than the depositors and it is evident that neither of the depositors used any diligence in examining his bank statements. Had they done so, Judge Friend's opinion declared "... they would have had actual and complete knowledge of all the facts. They did know, however, that the money had been withdrawn from their account, and it would be charitable to characterize their inaction as nothing more than carelessness. We think it amounted to a purposeful breach of the duty owed the banks to report the discrepancies at a much earlier date."

Evidence disclosed that the first check, Feldman's, had already been deposited at the cafe and had actually been paid by the bank on Jan. 5, and that Kaplan's check was similarly deposited and paid by the defendant bank three days later. The court held: "The fact that the first check had been sent through for payment and was paid by the drawee bank the day before Rinella had agreed to place it in escrow showed conclusively that he had no intention of performing his escrow agreement and knowing that plaintiff had not endorsed the checks and that they would not be accepted by the cashing bank or paid by the

drawee bank without endorsement, both plaintiff and his principals, as reasonably prudent men, ought to be charged with actual knowledge of the forgeries as early as the fore part of January. Such steps would have afforded these banks some protection against the forged instruments."

The court asserted the fact that Feldman and Kaplan were so eager to procure the whisky they failed to take any elementary precautions but chose to gamble on Rinella carrying out his agreement had deprived the banks of opportunities to protect themselves. It pointed out that Kaplan and Feldman, the real parties in interest, only resorted to a suit brought in the name of their agent, the nominal payee of the check, to shift their loss to the defendant banks only after all other efforts had failed.

E. W. Burke of Burke, James & Burke, represented Drexel National Bank.

Boost Auto Liability Rates in Fla., Kansas, N. Carolina

Increased automobile liability rates for Florida, Kansas and North Carolina have been effected by National Bureau of Casualty & Surety Underwriters and North Carolina Automobile Rate Administrative Office.

Present private passenger bodily injury rates were retained in all three states. In Florida, bodily injury increases for commercial cars, garages, public liveries and taxicabs, ranging up to 11.1, were made. Property damage rates were increased for virtually all types of cars in each state, except for private passenger cars in Kansas where rates were revised earlier this year.

This brings the number of states with automobile liability increases to 44.

Bids Opened on Many Coast Construction Projects

LOS ANGELES—American Pipe & Construction Co., Los Angeles, got the contract for construction of a concrete pipe line for the San Diego County Water Authority, with a price of \$1,074,973. Fidelity & Deposit has executed the bond.

Peter L. Ferry & Son and John Ferry jointly were low bidders, with a price of \$841,300, when the Bureau of Reclamation opened bids for work on the Delta-Mendota canal. U.S.F.&G. will execute the bond.

Southwest Welding & Manufacturing Co., Alhambra, Cal., was low bidder with a price of \$2,228,000 for other work in the Central Valley project. Massachusetts Bonding is the originator of the business and with four co-sureties will execute the bond.

Charles L. Harney, San Francisco, was low bidder when the San Francisco Public Utilities Commission opened bids for various work at the San Francisco airport in San Mateo county, with a price of \$987,108. Fidelity & Deposit will execute the bond.

U. S. Aviation Group Plans Rate Increase July 15

NEW YORK—U. S. Aviation Insurance Group will raise its rates effective July 15. A similar step was taken by Aero Insurance Underwriters in April. The increases were attributed to year long experience and not particularly to the recent series of airline catastrophes.

This leaves Associated Aviation Underwriters as the only major insurance group operating under the old rates. Associated is expected to increase its rates soon but has not set any date for doing so.

Pa. Postponement Act Signed

HARRISBURG — Legislation postponing the effective date of Pennsylvania's financial responsibility law to July 1, 1949, has been signed by Gov. Duff.

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Health & Accident Salesmanager Wanted

Nationwide agency in Health & Accident field desires a man with experience in training and handling salesmen and with experience in agency supervision. Our present employees know of this ad.

Send full particulars to M-44, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Western Office at 75-Year Mark

(CONTINUED FROM PAGE 4)

trophe had occurred. It has often been stated that competitors did not disturb Fireman's Fund agencies because of the great popularity of John Marshall. They did not attempt to corral any of the Fireman's Fund business nor disturb its agency connections. Western field men were instructed by their superiors to be very careful in this regard.

On Saturday of the big conflagration week a telegram was received from President Dutton stating that all hands were safe and well at the head office, the fire had been extinguished, but the company was unable to ascertain its liability until the vaults could be opened. He stated that the Fireman's Fund flag was still flying and nailed to the mast, which

gave hope and encouragement.

Marshall & McElhone, enthusiastic and confident, inspired their field men and Fireman's Fund agents were urged still to continue to increase the business. Circulars were sent out by the western department to agents giving as complete information as was possible.

The premiums in 1905 in the western department were \$750,000. This figure shrank only 19% during 1906. Fireman's Fund was rebuilt, was strengthened financially, was able to meet its obligations and it emerged with the highest credit.

In May, 1913, Fireman's Fund purchased Hawkeye-Des Moines and Commercial Fire Underwriters of Iowa. The

Hawkeye-Des Moines department was established at Des Moines as a branch of the western office.

Fireman's Fund was one of the pioneers writing automobile insurance and handled all that business through its marine department. The company itself, as a whole, later assumed charge of the automobile business.

In May, 1914, Mr. McElhone died and Mr. Marshall became sole manager. W. A. Chapman who had been Wisconsin state agent of Connecticut Fire and then assistant manager in the west, was appointed assistant manager of Fireman's Fund at Chicago. J. B. Levi-son who was vice-president and became president later was the man who executed the rehabilitation work for Fireman's Fund and to him the greatest credit is due for the accomplishment of the monumental task. He became president April 1, 1917.

Home Fire & Marine Is Taken Over

In the beginning of 1918, Fireman's Fund took over Home Fire & Marine of San Francisco, which had been battered and torn by the disaster but was completely rebuilt and made ready for business by its purchasers. In September, 1918 the western department staff numbered 129 and was moved to 33 South Clark street.

Manager John Marshall, at the end of the year, was transferred to the head office as vice-president. Mr. Chapman succeeded him. The western branch of the ocean marine department was established in Chicago October, 1923. It was empowered to write all marine coverages including those coming into popularity at that time. Inland marine and all risks were taken on.

December, 1927, Occidental (now Western National) was organized and became a part of the fleet. Mr. Chapman retired as western manager in September, 1929. He is now residing at Evanston, Ill. He was succeeded by S. M. Buck, who resigned in 1938 to become vice-president and western manager of Great American.

E. D. Lawson Western Manager

E. D. Lawson was head of the marine department of Fireman's Fund and was appointed manager of the department. Mr. Lawson as head of the marine department had attracted wide attention and became one of the leading men of that class in the west. When Mr. Lawson took charge, the western department and the western marine department were merged under his leadership. He was elected vice-president of Fireman's Fund and its associates in 1942, still being in charge of the western business.

Mr. Lawson got his early start in engineering work and became associated with W. H. McGee & Co., a prominent marine agency in New York City, and at once demonstrated his high ability in marine insurance. He opened the Chicago office for the firm in 1923. He was active in the marine field throughout the middle west, getting in touch with agents and enlisting them in the cause of marine production.

Mr. Lawson was a popular speaker at local agents meetings and other gatherings.

The Fireman's Fund western department soon established various units for specialized work, the latest being the organization of a farm department. In 1927 there were 115 local agents reporting to the department, but today there are 3,393. Premium income in the central department last year was \$10,556,000.

Four Assistant Managers

The company appointed four assistant managers in 1945 to assist Mr. Lawson in the enlarged work. They are A. O. Andersen, Paul M. Britton, John T. Even, and P. J. Leen.

Fireman's Fund has an office staff of 308 in the western department and has 23 service offices located throughout the territory. The western department supervises 15 states and three Canadian provinces.

PERSONALS

H. V. D. Johns, associate manager at Los Angeles of U. S. F. & G., has just celebrated his 25th anniversary with the company. He received many letters of congratulation, and was presented a pair of silver candlesticks by the company.

Frank W. Franzen, vice-president of the Loyalty group and a past president of the Casualty Underwriters Assn. of New Jersey, has been named chairman of the commerce and industry division of the 25th anniversary community chest campaign in Newark. John S. Thompson, president of the Mutual Benefit Life, is general chairman.

Ray Murphy, general counsel of Assn. of Casualty & Surety Companies, as past commander of the American Legion will deliver the keynote address at memorial services of the Iowa legion at Sioux City, Aug. 10. On Sept. 10 Mr. Murphy, a former Iowa commissioner, will outline the rating law for Iowa Assn. of Insurance Agents. On Sept. 22 he will address the insurance section of American Bar Assn. at Cleveland on state legislation.

Reginald G. Moss, Pacific Coast manager of the Association of Casualty & Surety Companies since the establishment of the office, is seriously ill in the Alta Bates Hospital, Berkeley, Calif. He went to the hospital for a surgical operation about the middle of June.

DEATHS

Francis Norie-Miller, 88, retired governor of General Accident, and for many years general manager at the home office in Perth, Scotland, died. Mr. Norie-Miller was the dean of casualty company officials of Great Britain and the genius who guided the company from a small concern unknown outside its home country to a tremendous international organization. He was especially interested in building up business of his company in the United States. Mr. Norie-Miller assumed management of General Accident some 60 years ago, at the age of 28. By that time he had already established a reputation as a casualty executive. He was well known in casualty circles in the United States and prominent in international casualty deliberations. He was a former member of parliament.

Edward J. O'Neil, Sr., 80, Watertown, formerly Boston manager for U. S. F. & G., died at his summer home in Allerton. He was a past grand knight of the Knights of Columbus and former president of the Boston Catholic Union. He was a vice-president and trustee of St. Margaret's hospital, Brighton, and a trustee of the Union Savings Bank, Boston.

A. D. Williams, 52, assistant manager of the life and accident department of Travelers at 55 John street, New York City, died after a heart attack in his office. He was with Travelers 22 years.

Va. Allows Coin Devices

RICHMOND—Associated Aviation Underwriters will be permitted to install some of its coin-operated devices at National Airport in northern Virginia although the automatic machine does not meet strict requirements of Virginia's insurance laws. The state corporation commission has tentatively agreed to permit installation of the devices pending action by the 1948 legislature. Meanwhile, the state tax department will levy a \$25 license fee on each of the machines set up in Virginia. Decision has yet to be reached as to whether a \$1,000 operator's fee will have to be imposed on Associated Aviation Underwriters.

Canada Health & Accident, Waterloo, Ont., has appointed Roland A. Merner agency secretary.

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Otherwise Let Us Help You with Your Unusual
or Difficult Problems—



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C. REID CLOON, Manager

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AGENCY MAN WANTED

Large Accident and Health Writing Company

Home Office Position. Must be willing to travel extensively. Salary commensurate with experience and ability. Exceptional opportunity for advancement. Please give full details in first letter. Inquiries will be held in strictest confidence.

Address M-46, National Underwriter

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Casualty ins with broad experience o and branch and manage in production multiple line ing basis. Address M-39, Jackson Blvd.

EX We have an Manager in giving full salary. Massachusetts Room 191

ACCIDENT AND HEALTH

Survey A. & H. Cover in Rural Areas

A survey of the extent to which health and accident insurance is being made available to the rural population of the United States will be undertaken shortly by a subcommittee of the conference committee on health insurance. This committee includes representatives of 10 national insurance associations and was set up in 1946 to cooperate with the medical profession in studying the problems presented in furnishing voluntary prepaid medical care.

The questionnaires, to be distributed to insurance carriers, seek to determine the types of coverage offered and in which areas, current volume of premiums written, number of individuals covered under existing contracts, and details of sales methods.

Purpose of the Study

The results of the survey will be used to point out the amount of disability coverage that private insurance companies offer to the rural population. It is believed that the coverage of the rural areas is greater than the industry realizes and this survey will aid the companies in comparing the amount of health and accident insurance in the cities with that offered in the rural areas.

The committee includes American Life Convention, American Mutual Alliance, Association of Casualty & Surety Companies, Assn. of Life Insurance Counsel, Assn. of Life Insurance Medical Directors, Bureau of Personal Accident & Health Underwriters, Health & Accident Underwriters Conference, International Claim Assn., Life Insurance Assn. of America and National Fraternal Congress.

The subcommittee on insuring the rural population consists of Miss A. M. Chellberg, American Mutual Alliance; E. J. Faulkner, Woodmen Accident; C. O. Pauley, Great Northern Life, and H. P. Skoglund, North American Life & Casualty.

Rader Reserve Loan Accident-Health Head

J. William Rader has been appointed manager of the accident and health department of Reserve Loan Life.



J. William Rader
veteran.

A native of Virginia, Mr. Rader was graduated from Bennett College, London, Ky., in 1932. All his business career has been in the insurance field. For 15 years he was with Provident Life & Accident, becoming agency manager of that company. He is a war veteran.

AVAILABLE

Casualty insurance executive in early forties with broad underwriting, rating and statistical experience of about 15 years in home office and branch office. Well qualified to develop and manage large branch office. Specialized in production underwriting and servicing large multiple line risks on overall retrospective rating basis. Excellent record and references. Address M-39, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

EXCELLENT OPPORTUNITY

We have an opening for assistant to Casualty Manager in our Chicago Office. Please reply giving full particulars, age, past experience, salary. Massachusetts Bonding & Insurance Company Room 1919, 175 W. Jackson Boulevard Chicago, Illinois

Opens Asbury Park Branch

Saul Becker, Newark general agent of Philadelphia Life and Continental Casualty, has opened a branch at Asbury Park, N. J., with D. Allocca as manager. He has been in insurance work for a number of years.

Writes Auto Accident Rider

United Fidelity Life is writing an automobile accident rider covering accidental death occurring within 90 days of the injury caused in or by an automobile. Policyholders may apply for up to the face amount of their present life policies. The rider does not take the place of double indemnity and may be sold in addition to it at a cost of \$1 per \$1,000.

CHANGES

Advance Greer to Asst. U. S. Manager of Ocean Accident

Arthur F. Greer is now assistant U. S. manager of Ocean Accident, vice-president of Columbia and assistant U. S. manager of Commercial Union Assurance; Palatine; Union Assurance and British General.

Mr. Greer was born in Mount Vernon, N. Y., and graduated in 1926 from Yale. After a number of years in investment banking in New York City, he joined Commercial Union group in 1934. Since 1936 he has been secretary and head of the investment department.

Pratt Takes A.I.U. Post

American International Underwriters has named Louis A. Pratt casualty brokerage manager. He has been with the company since last November. Prior to that he was 12 years with the Sun Indemnity and three with the Associated Indemnity.

Anderson With Maryland

Ray C. Anderson, former Los Angeles manager of Preferred, has been appointed special agent of Maryland Casualty at Sacramento.

Hint Camden Offering Price May Be \$17

Camden Fire in its message to stockholders on the proposed capital increase states that the offering price is yet to be determined. However, a hint is given as to the probable price since "as an example" it is stated that if the new stock is sold at \$17 a share, the surplus account will be increased \$1,200,000 less cost of issuance. It is proposed to sell 100,000 shares of \$5 par value stock. This would increase the capital from \$2 million to \$2½ million.

The message points out that Camden Fire has paid a dividend every year since 1870 when it became a stock company. On 11 previous occasions the capital was increased to provide for steady growth of premium income and it has been 22 years since the last increase was made. That was in 1925. At that time capital was \$1½ million, premiums written were \$4,932,861, premium reserve was \$4,496,001, net surplus \$2,207,665 and assets \$9,215,150.

Jan. 1, 1947, capital was \$2 million, premiums written \$12,516,933, premium reserve \$10,684,237, net surplus \$4,188,904 and assets \$20,259,386.

Preferred Joins Bureau

Preferred Accident has become a member of National Bureau of Casualty & Surety Underwriters.

It's the unexpected

CATASTROPHE

that "upsets the apple-cart" for the Self-Insurer!

Excess Insurance is a necessity for even the largest Self-Insurer

Remember this: Companies large enough to self-insure the "average" claim, could not stand the financial strain of a catastrophe. That's why every self-insurer is a prospect for "Excess." Make them your prospects, your clients.

For over 30 years we have specialized in all forms of Excess Coverage tailor made to the risk—for Self-Insurers or Excess over Primary.

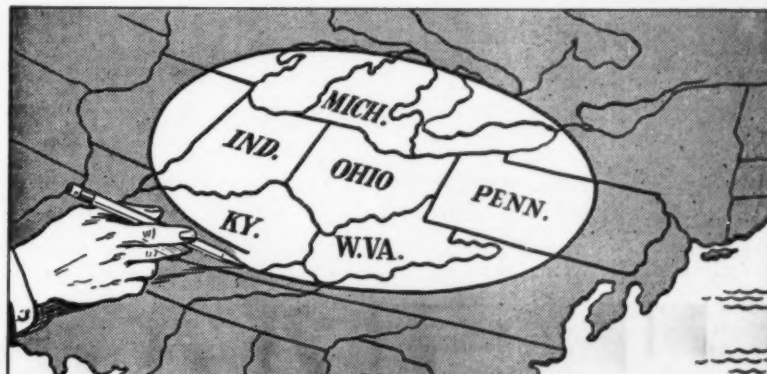
Solicit those accounts you know need this type of coverage and we will help you render your client real service and add to your premium volume. We underwrite through the oldest, largest most experienced "Excess" market in the world—LLOYD'S OF LONDON.



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BURGLARY**



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HOME OFFICE COLUMBUS 16, OHIO

SERVING THE 6 STATES OF THE BUCKEYE UNION

N. Y. Department Reviews Fidelity and Surety Experience

(CONTINUED FROM PAGE 3)

| | Net premiums | | Underwriting Ratios | | Expense Analysis | | Insp. & Taxes & fees to | |
|------------------------|---------------|---------------|---------------------------|-------------|-----------------------------|---------------------|-------------------------|---------|
| | written | earned | Losses incurred to earned | Exp. (adj.) | Acq. & fid. sup. to written | Gen. adm. to earned | bur. to earned | written |
| Am. Surety | 2,139,438 | 1,970,000 | -10.2 | 84.1 | 36.8 | 33.8 | 1.8 | 3.2 |
| Associated Ind. | 48,448 | 33,241 | -23.4 | 117.4 | 61.2 | 53.2 | 1.8 | 4.0 |
| Bankers Ind. | 13,942 | 14,569 | 44.1 | 88.5 | 26.1 | 46.7 | 9.2 | 2.4 |
| Car & General | 389,883 | 278,219 | 7.8 | 59.3 | 30.5 | 21.9 | 1.3 | 3.6 |
| Central Sur. | 537,939 | 462,600 | -3.4 | 57.3 | 37.6 | 13.2 | .9 | 3.0 |
| Century Ind. | 174,226 | 164,952 | -14.5 | 42.9 | 27.4 | 9.6 | 1.2 | 2.7 |
| Columbia Cas. | 145,963 | 145,638 | 7.6 | 58.1 | 34.3 | 19.7 | 1.4 | 2.9 |
| Commercial Cas. | 1,236,742 | 1,032,128 | -7.6 | 56.4 | 51.2 | 16.8 | .6 | 2.8 |
| Continental Cas. | 139,590 | 134,428 | 12.1 | 75.0 | 21.3 | 17.3 | 1.8 | 4.3 |
| Employers Liab. | 377,947 | 315,990 | 5.1 | 75.6 | 19.3 | 16.2 | 1.7 | 3.8 |
| Fidelity & Cas. | 1,326,513 | 1,110,499 | -51.6 | 70.5 | 81.1 | 20.6 | 1.4 | 3.0 |
| Fid. & Deposit | 4,158,560 | 3,532,049 | -4.1 | 60.8 | 43.3 | 12.9 | 1.4 | 3.0 |
| Fire, Fund Ind. | 358,612 | 294,997 | 9.5 | 54.9 | 35.6 | 19.1 | 1.2 | 4.0 |
| General Cas., Seattle | 510,517 | 423,655 | -9.3 | 42.4 | 66.9 | 5.9 | .4 | 2.6 |
| Gen. Tr. C. & S. | 1,086 | 990 | -1.6 | 11.3 | 90.3 | 7.6 | .2 | 2.6 |
| Glens Falls Ind. | 971,184 | 809,163 | ... | 58.2 | 41.8 | 14.6 | 1.5 | 3.9 |
| Globe Indem. | 536,293 | 474,927 | 1.1 | 60.0 | 38.9 | 12.5 | .4 | 2.5 |
| Great Am. Ind. | 607,908 | 494,856 | -5.6 | 55.2 | 50.4 | 12.8 | .8 | 2.5 |
| Guarantee of N. A. | 68,905 | 76,922 | -3.0 | 72.0 | 31.0 | 18.5 | ... | 2.5 |
| Hartford Acc. | 2,822,474 | 2,376,593 | -7.7 | 59.8 | 32.5 | 22.0 | .7 | 2.6 |
| Home Indem. | 188,392 | 164,248 | -9.5 | 53.8 | 55.7 | 13.7 | .3 | 3.1 |
| Indemnity of N. A. | 840,318 | 702,810 | -1.8 | 57.9 | 43.9 | 21.0 | 1.5 | 3.2 |
| International Fidelity | 9,742 | 8,602 | 3.0 | 84.3 | 12.7 | 78.5 | ... | 3.3 |
| London Guar. | 17,376 | 13,465 | -4.9 | 111.0 | -6.1 | 63.8 | 2.2 | 3.1 |
| Lond. & Lanc. Ind. | 159,114 | 152,255 | -10.6 | 68.5 | 42.1 | 17.4 | 1.8 | 3.5 |
| Manufacturers Cas. | 420,333 | 359,592 | 6.4 | 56.5 | 37.1 | 14.1 | 1.9 | 2.9 |
| Maryland Cas. | 2,668,670 | 2,304,300 | -10.5 | 59.6 | 50.9 | 13.1 | .7 | 2.8 |
| Mass. Bonding | 1,070,921 | 924,404 | 2.3 | 55.9 | 41.8 | 13.9 | .2 | 2.9 |
| Merchants Ind. | 39,386 | 39,117 | -1.4 | 48.2 | 53.2 | 6.3 | ... | 1.9 |
| Metropolitan Cas. | 193,817 | 181,953 | 3.3 | 74.4 | 22.3 | 18.0 | -7.7 | 2.3 |
| National Cas. | 37,271 | 31,476 | 7.1 | 66.8 | 26.1 | 17.8 | 1.1 | 3.3 |
| National Surety | 3,188,829 | 2,847,459 | -12.7 | 62.5 | 50.2 | 15.3 | 1.0 | 3.9 |
| New Amsterdam Cas. | 881,866 | 761,507 | 35.1 | 57.3 | 7.6 | 12.8 | .3 | 2.0 |
| New England Cas. | 13,478 | 10,391 | 96.5 | 42.4 | -38.9 | .8 | 2.5 | 3.0 |
| New York Cas. | 426,596 | 383,955 | 4.1 | 56.5 | 39.4 | 20.1 | .4 | 3.1 |
| Ocean Acc. | 90,866 | 80,094 | -12.3 | 50.1 | 62.2 | 10.3 | 1.2 | 3.0 |
| Peerless Cas. | 502,554 | 490,100 | -4.8 | 44.4 | 60.4 | 7.0 | .1 | 1.9 |
| Phoenix Indem. | 25,637 | 15,683 | 133.9 | 69.7 | -103.6 | 29.4 | 2.5 | 2.9 |
| Preferred Acc. | 194,204 | 135,434 | 58.7 | 68.3 | -27.0 | 11.3 | 1.0 | 1.5 |
| Royal Indem. | 449,405 | 379,955 | 7.9 | 58.9 | 33.2 | 16.4 | .5 | 3.1 |
| St. Paul Merc. Ind. | 1,241,232 | 1,194,265 | -10.0 | 46.4 | 63.6 | 12.5 | .7 | 3.2 |
| Seaboard Surety | 1,132,191 | 999,318 | -23.4 | 69.4 | 63.0 | 20.8 | 7.0 | 3.8 |
| Standard Acc. | 1,888,244 | 1,430,990 | -8.8 | 72.4 | 18.8 | 16.0 | 2.0 | 3.0 |
| Standard S. & C. | 125,146 | 98,181 | -45.9 | 52.1 | 93.8 | 11.9 | 1.1 | 3.0 |
| Sun Indem. | 53,731 | 49,158 | -24.7 | 50.2 | 74.5 | 7.3 | 1.0 | 2.5 |
| Travelers Indem. | 1,266,340 | 955,612 | 12.6 | 66.8 | 20.6 | 18.9 | 1.5 | 3.1 |
| United Nat'l Ind. | 17,807 | 7,598 | 27.1 | 124.5 | -51.6 | 76.3 | 5.4 | 4.5 |
| U. S. Casualty | 284,470 | 236,665 | 19.2 | 61.1 | 19.7 | 26.3 | .7 | 3.1 |
| U. S. F. & G. | 5,503,848 | 4,798,302 | -1.9 | 52.4 | 49.5 | 12.0 | 1.2 | 3.3 |
| U. S. Guarantee | 1,295,671 | 1,113,956 | -6.6 | 69.0 | 31.6 | 35.7 | .7 | 3.6 |
| Western Nat'l Ind. | 121,860 | 110,338 | -1.6 | 49.2 | 52.4 | 8.6 | .7 | 3.5 |
| Yorkshire Indem. | 181,657 | 152,359 | 14.2 | 56.8 | 29.0 | 1.2 | ... | 1.9 |
| 1946 Totals | \$ 44,589,186 | \$ 38,103,166 | -3.8 | 61.5 | 42.3 | 17.3 | 1.1 | 3.1 |
| 1945 Totals | 35,039,866 | 34,888,087 | -9 | 58.5 | 42.4 | 15.4 | .9 | 3.1 |
| 1944 Totals | 33,816,558 | 36,784,172 | 7.9 | 58.4 | 33.7 | 14.3 | 1.0 | 3.2 |

MUTUAL COMPANIES

| | | | | | | | | | |
|--------------------|------------|------------|------|------|------|------|------|-----|-----|
| Am. Mut. Liab. | \$ 1,000 | \$ 1,276 | ... | 13.5 | 86.5 | 7.7 | 5.2 | .1 | .5 |
| Liberty Mut. | 617 | 737 | ... | 19.9 | 80.1 | 13.1 | 5.7 | ... | 1.1 |
| Lumb. Mut. Cas. | 125,731 | 85,197 | 38.9 | 42.4 | 18.7 | 19.4 | 16.5 | .1 | 2.3 |
| Security Mut. Cas. | 10,099 | 5,544 | 41.6 | 21.8 | 36.6 | 6.2 | 5.5 | ... | 2.0 |
| 1946 Totals | \$ 137,447 | \$ 921,754 | 38.2 | 40.5 | 21.3 | 18.3 | 15.6 | .1 | 2.3 |
| 1945 Totals | 70,379 | 51,074 | 35.8 | 43.8 | 20.4 | 33.6 | 6.2 | .2 | .8 |
| 1944 Totals | 39,547 | 44,259 | 34.4 | 40.2 | 25.4 | 35.1 | .9 | .3 | 1.0 |

REINSURANCE COMPANIES

| | | | | | | | | | |
|-----------------------|--------------|--------------|--------|------|-------|------|------|-----|-----|
| Am. Reins. | \$ 1,105,122 | \$ 820,077 | 6.8 | 50.9 | 42.3 | 40.9 | 7.8 | .3 | 1.9 |
| Employ. Reins. | 813,353 | 646,682 | -19.6 | 61.0 | 58.6 | 53.7 | 4.6 | .4 | 1.6 |
| Europ. Gen. Reins. | 1,518,210 | 1,131,239 | 17.2 | 49.2 | 33.6 | 43.1 | 1.9 | .1 | .2 |
| Excess | 244,119 | 158,797 | 3.7 | 65.9 | 29.4 | 42.6 | 14.9 | .2 | 4.0 |
| General Reins. | 859,455 | 786,042 | -54.5 | 46.7 | 107.8 | 40.4 | 4.0 | .2 | 2.5 |
| N. Am. C. & S. Reins. | 7,962 | 4,894 | -117.7 | 39.2 | 178.5 | 46.5 | -7 | ... | .7 |
| 1946 Totals | \$ 4,548,321 | \$ 3,547,831 | -8.7 | 51.9 | 56.8 | 43.9 | 4.8 | .2 | 1.5 |
| 1945 Totals | 2,911,850 | 2,852,639 | 8.8 | 54.5 | 36.7 | 46.0 | 4.1 | .2 | 1.2 |
| 1944 Totals | 2,892,606 | 3,491,775 | 35.3 | 62.2 | 2.5 | 53.5 | 3.6 | .2 | 1.1 |

COMPENSATION

Warns N. J. Amusement Men

NEWARK—Harry Harper, state labor commissioner, has notified all New Jersey municipalities to enforce the legislation, effective July 4, which requires proprietors of public amusement places to give proof that their employees are covered by workmen's compensation insurance.

It forbids any municipal governing body to issue a license without proof that employees are covered by compensation and to revoke any license issued before July 4 where the licensee fails "within a reasonable time" to provide coverage.

Pa. "Comp" Bills Signed

HARRISBURG — Gov. Duff has signed a bill appropriating \$100,000 as the state's share in second injury compensation cases for the next two years, and one appropriating \$750,000 as the state's share of occupational disease claim payments.

He also signed a bill providing that benefits received from the federal government because of physical injuries received in war shall not be deducted in the computation of workmen's compensation to Pennsylvania residents. Other ceived in war shall not be deducted in deductible.

Minn. Rates Up 3.1%

ST. PAUL—After being turned down three times in a row in requests for increased rates, the Minnesota compensation rating bureau has been granted an increase of 3.1% on new and renewal business effective July 1. The bureau had asked for an increase of 4.7% to take care of increased benefits allowed by the last two legislatures.

This is the first increase in compensation rates in Minnesota in several years.

Cal. Benefits Increased

The maximum weekly compensation benefit of \$30 adopted during 1946 by California on a temporary basis has been made permanent by Gov. Warren who signed a bill authorizing this action. He also signed a bill making maximum death benefits under the compensation act \$7,500, from \$6,000. The minimum death benefit is increased from \$2,000 to \$3,000.

Compensation Changes in Ia.

DES MOINES — Several major changes in the Iowa workmen's compensation act made by the legislature became effective July 4 but the new schedule of benefits will not become operative until Oct. 1. The increased rates to provide for the additional and broadened coverages have not been announced.

Maximum disability payment is made \$20 a week and occupational disease coverage will be included after Oct. 1.

More Lines Under State Fund

SEATTLE — Following public hearings, Simon Wampold, Jr., supervisor of industrial insurance for the Washington department of labor, announced that six additional occupations were declared extra-hazardous and brought under the monopolistic compensation act.

They are maintenance of telegraph lines, custom hay baling, commercial pea vining, commercial tree topping, commercial operations in chemical spraying and fumigation and commercial landscaping involving use of power-driven machinery. The latter class includes commercial care of lawns and shrubbery in which power-driven machinery is used.

A seventh proposed new classification — delivery of newspapers by newsboys — will be considered further at a hearing which was continued until Aug. 19.

Many
Becom
to Rat

SAN FRANCISCO — Relations between the city and the state will make fire prevention a major problem for the new department of fire prevention. The department has been at the last of a fire prevention in an effort to public appeal emotions and economic loss. Another public meeting will be held to assist the development of a laboratory with a hearing which was continued until Aug. 19.

John M. Springfield, Rating Bureau, following commission supervision Fund; Francis, Connecticut; R. Union; H. Fore; John Union; W. V. cashire, and Board-bur Aetna Fire; man, Mr. Kown, St. Pelletier, H. Rate analy Underwriter Homer; A. Percy Lynch; G. Rich, Ro Rules, ra Coolidge, S. Thos. Craig R. Decker, Phoenix A. Commercial American; Fire; Ben Pelletier, H. Herbert W. Ernest Wa and John Si

Stress Fir
in Public

SAN FRANCISCO — Relations between the city and the state will make fire prevention a major problem for the new department of fire prevention. The department has been at the last of a fire prevention in an effort to public appeal emotions and economic loss. Another public meeting will be held to assist the development of a laboratory with a hearing which was continued until Aug. 19.

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INSURANCE NEWS BY SECTIONS

PACIFIC COAST AND MOUNTAIN

Many Companies Become Subscribers to Rating Bureau

SAN FRANCISCO—Stock and mutual companies are rapidly becoming subscribers to the new Pacific Fire Rating Bureau in the various states in which it will operate, some selecting only certain states and others in a few states in which they are operating. Several of the large "non-board" companies maintaining headquarters in California have not yet subscribed for the bureau's services in that state but have done so in others.

The bureau reports eight subscribers in California, three in Alaska, 23 in Utah, 16 in Nevada and 43 in Montana. Most of the latter are mutuals. Officials of the bureau expect that several of the stock companies which have always been non-members of the board will become members of the bureau—and that some will also join the Pacific Board under the new setup, with the board acting as an advisory organization under the new state regulatory laws.

Samuel L. Carpenter, Jr., general manager of the board, is in Utah arranging to meet the requirements of the new laws there affecting rating bureaus and advisory organizations. The new Utah law requires filings by Aug. 13.

Committees of Rating Bureau

John M. Wylie, vice-president of Springfield F. & M. and president of the Rating Bureau, has announced the following committees:

Supervisory, Ray L. Ellis, Fireman's Fund; Frank C. Beazley, Phoenix-Connecticut; R. L. Countryman, Norwich Union; H. Clyde Edmundson, America Fore; John C. Bunyan, Commercial Union; W. W. Gilmore, London & Lancashire, and A. C. Posey, Hartford Fire.

Board-bureau committee, H. F. Mills, Aetna Fire; Mr. Beazley, Mr. Countryman, Mr. Edmundson, Paul F. McKown, St. Paul F. & M., and F. J. Pelletier, Hinchman, Rolph & Landis.

Rate analysis, J. L. Biglen, New York Underwriters; Carl N. Homer, Deans & Homer; A. V. Holman, America Fore; Percy Lynch, Great American, and W. G. Rich, Royal-Liverpool.

Rules, rates and schedules, R. J. Coolidge, Scottish Union & National; Thos. Craig, North America; Thomas R. Decker, Home; R. A. Hickman, Phoenix Assurance; J. D. Keating, Commercial Union; Percy Lynch, Great American; Clyde M. Marshall, Aetna Fire; Ben Masters, Security; F. J. Pelletier, Hinchman, Rolph & Landis; Herbert W. Semmelmeier, Planet; Ernest Wagner, Phoenix-Connecticut, and John Sinclair, Glens Falls.

Stress Fire Prevention in Public Relations Work

SAN FRANCISCO—The new public relations committee of the Pacific Board will make fire prevention one of its first major prospects as soon as the proposed new department is established and a director has been selected—as authorized at the last annual meeting in May. The fire prevention theme will be broadened in an effort to make a more effective public appeal by stressing the human emotions and sufferings as well as the economic losses resulting from fires.

Another project in which the committee will be interested will be to assist the development of a demonstration laboratory which the F.U.A.P. is sponsoring with the board's cooperation. This was suggested three years ago by

H. F. Badger, executive secretary of the board, who was then president of F.U.A.P. It proposes to set up a display and working exhibit of fire prevention, control and extinguishing devices for insurance people and others interested, as an educational project and to acquaint them with every modern device and piece of apparatus. The various manufacturers have promised their cooperation by submitting their products or working models.

W. B. Miller, coast manager of American, is chairman of the public relations committee. Other members are W. Stanley Pearce, Fireman's Fund; Paul F. McKown, St. Paul F. & M.; F. J. Pelletier, Hinchman, Rolph & Landis, and A. C. Posey, Hartford Fire.

List Four More Wash. Speakers

SEATTLE—Four more speakers for the annual meeting of the Washington Assn. of Insurance Agents Aug. 4-6 at Spokane have been announced.

"Property Damage Liability for Origin or Spread of Fire," will be discussed by George W. Clarke of the Seattle law firm of Clarke, Clarke & Albertson. E. R. Hurd, Jr., advertising manager of the American-Associated companies, will speak on "A Practical Approach to Agency Advertising" and Dwight B. Aden of the J. E. McGovern-Carroll Co. agency, Spokane, on "The Comprehensive Personal Liability Policy." Frank C. Beazley, vice-president and coast manager of the Phoenix-Connecticut group, also will speak, his subject to be announced later.

Speakers previously listed include President Guy T. Warfield, Jr., of N.A.I.A.; John H. Martin, manager Standard Forms Bureau, San Francisco; W. H. Brewster, manager automobile division National Bureau of Casualty & Surety Underwriters. Commissioner Sullivan and Special Deputy Robert D. Williams will conduct a forum on the new Washington insurance code which goes into effect Oct. 1.

A second panel will feature an explanation of the broad form automobile financial responsibility law passed by the 1947 Washington legislature but vetoed by Gov. Wallgren. Purpose of this panel will be to acquaint agents with the provisions of the law as the first step in a campaign to override the veto at the next session of the legislature. B. K. Campbell, Seattle manager of the National Bureau and manager of the Washington assigned risk plan; J. W. Gowdy, assistant vice-president of Northwest Casualty and chairman of the assigned risk plan, and Irwin Mesher, executive secretary Washington association, will participate.

The convention will get under way the afternoon of Aug. 4 with meetings of special committees, followed by a cocktail hour for the executive committee and local board presidents, given by the American-Associated companies. The executive committee and local board presidents will have their annual dinner that evening.

All of the speaking program will be concentrated into the two Aug. 5 sessions. The special agents will be hosts at a cocktail hour in the evening. There will be a business session for members only the morning of Aug. 6. United Pacific will be host at a cocktail party preceding the banquet and dance which will wind up the program.

Ray R. Poulton, who recently resigned as associate manager of the Ray Rosendahl general agency at San Francisco, has gone with Ray W. Jones Co., brokerage firm of Oakland.

SOUTH

Agents Lead Fight to Hold Chattanooga Fire Rate

CHATTANOOGA — "Chattanooga may, unless we act quickly, drop all the way from Class 3 to Class 5 in fire rates," Walter Greenspan, just elected president of the Chattanooga Insurance Exchange, warned the city commission, representing a group of local agents endeavoring to prevent a drop in classification said to be certain should the Tennessee Inspection Bureau make an inspection now. The commission promised immediate action, although improvements necessary to retain the rating are estimated to cost \$453,000 and a bond issue to finance it was rejected recently.

Mr. Greenspan succeeded James B. Irvine as president of the exchange. Scott N. Brown is vice-president and James E. Watkins, secretary. Directors are J. W. Olliphant, Hugh D. Huffaker, F. L. Gates, Charles S. Colburn, W. S. Keese, Jr., and James B. Irvine. The exchange went on record in opposition to the Howell bill, HR 3150, and the Hawkes bill, S. 670, in Congress.

No Fire Law "Fixing"

NASHVILLE — Commissioner McCormack has informed city officials throughout the state that there must be no "ticket fixing" on the new fire code adopted by the 1947 legislature, which he promises to enforce strictly as state fire marshal. Only dwellings and farm buildings are exempt from the new code. The state fire marshal's office has ordered the inspection of all buildings affected by June 1, 1948.

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MIDDLE WESTERN STATES

Tightening of Licensing Policies in Mich. Sought

LANSING, MICH.—Members of the Michigan Assn. of Insurance Agents are being advised by their headquarters office to adopt a resolution at the convention at Mackinac island Sept. 2-4 asking a definite tightening of licensing policies by the department. Specifically, it is suggested that every applicant be required to pledge in his signed application that he will engage in the business on a full-time basis within six months after receiving license.

It is further recommended that Commissioner Forbes be asked to "issue a ruling to the effect that agents and solicitors hold themselves ready at all times to promptly aid their policyholders in effecting claim reports and settlements, that they know something about the contracts that they are asking to be licensed to issue."

It is stated that the association "is cooperating in every possible way to assist in screening out and educating the sincere applicant," but that the situation appears to be deteriorating, with hundreds who entered the real estate business during recent boom times now seeking to invade the insurance field, with many veterans obtaining part-time licenses, and with numerous former solicitors seeking agents' licenses.

It is stated also that an investigation has indicated the inadequacy of the examination system under the agents' qualification law unless examinations are conducted under direct supervision of the department's licensing division.

Correction of present agents' licenses before the new law for extending licenses annually takes effect also is urged. It was noted that the new act should eliminate the "annual 'mess' of individual licensing and delays" but that many details such as licenses being issued to an individual instead of to the agency, wrong addresses, and lack of uniformity of licenses with all companies represented in the agency, require correction before the licenses are placed on a permanent basis.

Faculty for U. of Wis. Seminar Is Announced

MADISON, WIS.—Erwin A. Gaumnitz, insurance professor of the school of commerce, University of Wisconsin, has announced the faculty for the fire and casualty insurance seminar to be held the week of Aug. 18-22 on the campus. Two complete N.A.I.A. courses to be given this year are burglary and glass insurance on the first two days, and automobile material damage and liability insurance the following three days, with the last day devoted to examinations. It is planned to offer the complete courses in the N.A.I.A. educational programs at subsequent seminars. The Wisconsin Assn. of Insurance Agents is co-sponsor of the course, with Walter C. Rhodes, Madison, as chairman of its education committee.

Instructors for burglary and glass will be Frank Bloomer, Massachusetts Bonding, Milwaukee, covering trade terms, construction of a typical burglary policy, and discussion of residence and outside theft policy; L. M. Anderson, Travelers, Milwaukee, other robbery, burglary and miscellaneous policies; John P. O'Hair, Milwaukee claim department, National Surety, all-risks policies, and Robert C. Phillips, Milwaukee, U. S. F. & G., bank insurance, safe deposit box insurance for individuals, glass insurance.

Kenneth Maitland, Milwaukee, U. S. F. & G., will discuss automobile material damage; Thomas W. Roberts, Milwaukee, American Surety, standard automobile liability policy, defining and rating of private passenger, commercial cars and truckmen risks; W. L. Wratton, Milwaukee, American-Associated, defining and rating of public auto, school bus, etc., risks, and all contingent

and non-ownership risks; William Leissring, Jr., Milwaukee, Firemen's Fund, defining and rating of miscellaneous types of vehicles, discussion of combination and comprehensive auto policies, analysis and explanation of standard garage liability policy and rating thereof.

Wisconsin Legislature Kills Qualification Bill

MADISON, WIS.—The Wisconsin assembly has voted to kill the agents' licensing and qualification bill sponsored by the Wisconsin Assn. of Insurance Agents. During the hearings and preliminary voting, several amendments were made to the original bill to meet apparent objections, particularly those made by spokesmen for mutuals. For a time it seemed that a substitute amendment had a fair chance for passage, thus keeping the measure alive. In the final vote there were 40 ayes, 52 nays and eight absent or not voting.

Urban Krier, executive secretary of the association, was a registered lobbyist of the local agents group and spent considerable time in Madison on various insurance bills. It was stated that Harold Wilkie, representing Wisconsin Mutual Alliance, in appearing before the committee against the bill, stated he had been authorized by telegram to inform the committee that "Mr. Griggs, legislative counsel of the National Board, who was unable to attend this hearing, also concurs with my views and wishes to register against this bill."

Western Adjustment Makes Changes in Ill.-Ind.

Manager W. C. Couch, for the past several years in charge of the Hammond, Ind., office, is being transferred to the Chicago branch of Western Adjustment as a member of Manager T. F. Charlton's staff. Mr. Couch has been with Western Adjustment since 1941 and, in addition to the Hammond assignment, has served at Muncie, Anderson and Fort Wayne.

Resident Adjuster H. C. King of Kankakee, Ill., will succeed Mr. Couch as manager at Hammond. Mr. King, who has been with Western Adjustment since 1935, has served at various offices in Illinois and, since 1942, has had charge of the Kankakee office.

Adjuster C. B. Mahon of Decatur, Ill., will succeed Mr. King as resident adjuster at Kankakee. He has served at Evansville, Ind., Galesburg, Ill., Gary, Ind., and since 1945, has been on the adjusting staff at Decatur.

The changes represent promotions to the three adjusters, each of whom has a record of satisfactory service, and are in accordance with company policy.

Committees Busy on Plans for Minnesota Convention

DULUTH — Although the annual meeting of the Minnesota Assn. of Insurance Agents here is nearly three months away, the arrangements committees are getting an early start, as this will be the golden jubilee meeting of the Minnesota association and the committees want to make a notable occasion of it.

There will be a meeting of the general convention committee at Duluth July 10 to talk over the program. President George A. Thompson of Minneapolis will attend as will George Blomgren, executive secretary. George Fevig of Moorhead, chairman of the executive committee, also may attend. From Duluth they will go to Grand Rapids for a meeting of the Range association.

Paul Enck of Dunning & Dunning has been appointed registration chairman for the state meeting and Laura MacFarlan of the Liscomb-Hood agency will have charge of ladies' activities. The meeting will be at the Duluth hotel Oct. 2-3.

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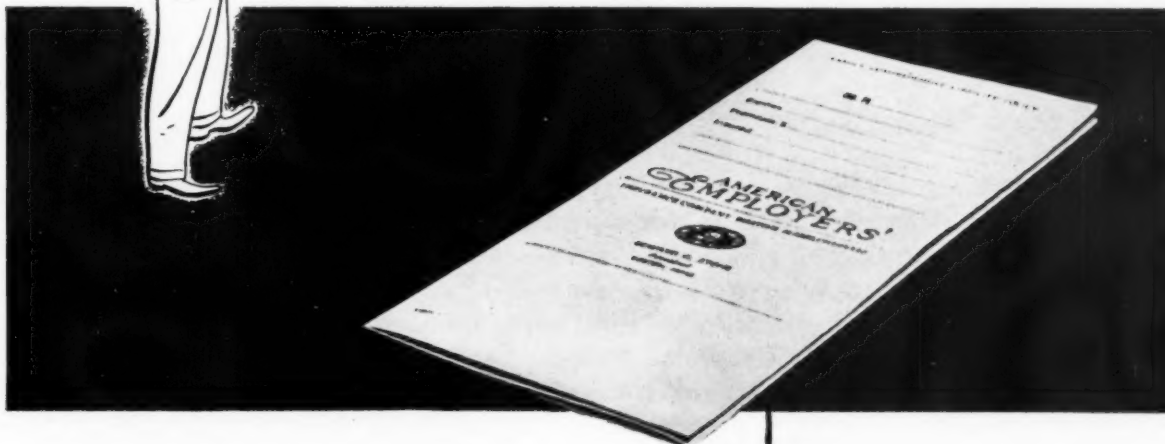
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CABIN IN CAMPUS MARTIUS

HOSTILE INDIANS were still attacking settlers in 1788 when the vanguard of forty-eight members of the Ohio Company arrived at the Muskingum River to establish the first officially sanctioned settlement in the Northwest Territory. Thus the chief concern of these cautious veterans of the Revolution was to build a fortification for the protection of the rest of the group and their families who were to follow at a later date. As their leader, General Rufus Putnam, wrote in his memoirs, "I was fully persuaded that the Indians would not be peacible very long — hence the propriety of immediately erecting a cover for the Emigrants who were soon expected."

As a fortification, the settlers constructed a stockade in the form of a hollow square, occupying some eight acres, with two-story cabins along the sides and blockhouses at the corners.

General Putnam's own cabin adjoined the southeast blockhouse and consisted of two rooms downstairs and two upstairs. His family joined him there in November, 1790.

The settlers named their new town Marietta in honor of Queen Marie Antoinette; for their fortress they chose the classical name of Campus Martius which was taken from the drill field of ancient Rome.

The superintendent of the colony was General Putnam who had been chief engineer of the army during the Revolution, designer of the fortifications at West Point and moving spirit in the establishment of the Ohio Company. From surviving papers it is evident that he was required to arbitrate all sorts of questions, calling for humor as well as good

judgment. This, for instance, was an order on a store for the relief of a bereaved Indian woman: "Please to Deliver the widow of the murdered Indian Such goods as she shall choose to wipe away her Tears to the amount of Five Dollars."

During the five years of the Indian war the residents of Campus Martius remained safe from attack within their fort. The more daring men ventured out to farm, hunt game and scout for Indians; some lost their lives in such forays but the Marietta people killed very few Indians. In the words of their General Putnam, "Providence



The living room today, furnished in the style of Putnam's period

so ordered that in the course of the War we obtained two Indian Schelps, & believe we killed a third."

After the war Putnam enlarged his cabin in Campus Martius and continued to make his home there until his death in 1824. It stands today in its original form in a wing of the Campus Martius State Memorial Museum in Marietta. Appropriately, the one house to be preserved from the state's early days is that of the man who has been called the Father of Ohio.

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